

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**BENEFICIARY AWARENESS OF
MEDICARE FRAUD**



JUNE GIBBS BROWN
Inspector General

JANUARY 1998
OEI-12-97-00440

OFFICE OF INSPECTOR GENERAL

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EXECUTIVE SUMMARY

PURPOSE

To assess Medicare beneficiaries' current knowledge and awareness of Medicare fraud and to gather information to assist in planning the outreach campaign advertising the Office of Inspector General (OIG) fraud hotline.

BACKGROUND

In 1996, the OIG launched a new initiative called "Outreach." The primary goal of the outreach initiative is to combat Medicare fraud, waste, and abuse. The initiative involves three primary activities. The first activity was to create a more user-friendly OIG fraud hotline which was implemented in July 1997. The second major activity is to conduct a nationwide outreach campaign to educate beneficiaries and other citizens on Medicare fraud—what it is, how to recognize it, and where to report it. Third, we have developed partnerships with other agencies and organizations also involved in fighting Medicare fraud—the Health Care Financing Administration (HCFA), the Administration on Aging (AoA), and the American Association of Retired Persons (AARP).

AoA and AARP have related activities as part of the outreach campaign. AoA has received funding for two separate grant programs designed as health care anti-fraud outreach programs for older Americans. AARP plans to craft a education campaign to engage its members in the fight against health care fraud.

To gather data for this study, we conducted a telephone survey with 329 Medicare beneficiaries out of a simple random sample of 625.

FINDINGS

Knowledge about Fraud

More than half of beneficiaries believe that Medicare fraud is common. Fifty-three percent of Medicare beneficiaries agree that Medicare fraud is common.

Beneficiaries want to play a role in stopping Medicare fraud. Medicare beneficiaries overwhelmingly agree (94 percent) with the statement, "It is my personal responsibility to report suspected cases of Medicare fraud."

Most beneficiaries say they read their Explanation of Medicare Benefits. Almost three out of four Medicare beneficiaries (74 percent) say they "always" read their Explanation of Medicare Benefits statements (EOMBs).

However, most Medicare beneficiaries believe that recognizing fraud is difficult. Almost six out of ten beneficiaries (58 percent) disagree with the statement “Medicare fraud is easy to recognize” and an additional 19 percent “don’t know” if Medicare fraud is easy to recognize.

Further, most beneficiaries say they have not received information on Medicare fraud. Only 15 percent of beneficiaries say that they have received or looked for information on Medicare fraud.

Finally, beneficiaries are not aware of agencies working to reduce Medicare fraud. Eighty-eight percent of beneficiaries say they are not aware of any agencies that work to reduce Medicare fraud.

Encountering and Reporting Potential Fraud

Almost one in five beneficiaries say they have encountered potential Medicare fraud. Beneficiaries who were both educated beyond high school *and* report that they were in fair or poor health were much more likely to have stated that they encountered fraud than all other beneficiaries.

Beneficiaries say they would report suspected Medicare fraud, but many do not when actually faced with a potentially fraudulent situation. Eighty-five percent of beneficiaries say that they would not be reluctant to report Medicare fraud. However, of those surveyed beneficiaries who said they have encountered potential fraud, only 55 percent reported it.

Most beneficiaries are not aware there is a toll-free number to report Medicare fraud. Eighty-six percent of beneficiaries do not know there is a toll-free hotline to report Medicare fraud. Almost one-third (29 percent) say they do not know whom they would contact if they encountered potential Medicare fraud.

If beneficiaries knew more, they would be more likely to report potential fraud. Almost nine out of 10 beneficiaries (89 percent) agree that if they knew more about Medicare fraud, they would be more likely to report it.

Reaching Medicare Beneficiaries through Outreach

Magazine readership is high among beneficiaries. Seventy-two percent of beneficiaries say they read magazines regularly. Over one-third read *Modern Maturity*, AARP’s magazine, regularly.

A large majority of beneficiaries regularly receive news through mainstream media. Three out of four beneficiaries say they regularly read the newspaper. Eighty percent of beneficiaries say they regularly watch national news on television and 77 percent regularly watch local news. This confirms the possibility of using the mainstream media for the outreach campaign.

Many beneficiaries watch cable television channels for news and entertainment. Nearly two-thirds (62 percent) of beneficiaries say they watch at least one cable channel.

NEXT STEPS

We conducted this survey to prepare for our outreach campaign to educate beneficiaries on Medicare fraud and where to report it. We collected baseline data on Medicare beneficiaries' current awareness of Medicare fraud and data on the media preferences of beneficiaries.

The survey confirms the need for a campaign to educate beneficiaries. Beneficiaries appear to be on the right track with a large majority saying they already "always" read their EOMBs. Because of the information provided on the EOMB, reviewing EOMB statements is the best way to detect billing errors and potential fraud. However, the survey results suggest that beneficiaries may not know what to look for on their EOMBs. AARP and AoA have ongoing activities to address this. AARP is developing materials to educate beneficiaries about how to spot irregularities on their EOMBs. AoA has funded projects to educate beneficiaries how to read their EOMBs. The survey also found that few beneficiaries know of the existence of a toll-free Medicare fraud hotline number. To address this, we are working with HCFA to begin printing the phone number for the OIG fraud hotline on EOMBs along with a message encouraging beneficiaries to report suspected fraud and abuse.

As we prepare for the launch of the outreach campaign activities, the outreach partners (OIG, AoA, HCFA, and AARP) should keep in mind where beneficiaries receive information. We found that more than half of beneficiaries read AARP's magazine, *Modern Maturity*, regularly or sometimes. This makes *Modern Maturity* an ideal publication in which to print stories and information about Medicare fraud. Further, because the mainstream media has a large following, newspapers and national and local news programs may be effective avenues for certain components of the campaign. Cable television, while not quite as popular as the mainstream media, may also effectively reach beneficiaries and other citizens. AARP is developing public service announcements for broadcast media.

We plan to repeat this survey after the outreach campaign has been underway for a year or two. This will enable us to measure the effect the outreach activities have had on Medicare beneficiaries' awareness of Medicare fraud.

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INTRODUCTION

PURPOSE

To assess Medicare beneficiaries' current knowledge and awareness of Medicare fraud and to gather information to assist in planning the outreach campaign advertising the Office of Inspector General (OIG) fraud hotline.

BACKGROUND

Consumer Awareness of Health Care Fraud

Evidence suggests that although consumers believe that health care fraud is rampant, they do not know how they can assist in combating it. In late 1996, the American Association of Retired Persons (AARP) conducted a survey on consumer awareness of general health care fraud and abuse. Overall, the survey found that consumers believe that health care fraud is widespread, and 18 percent said that they had personally experienced health care fraud. Consumers also believe that fraud in Government health care programs (Medicare and Medicaid) is more widespread than in the private sector. Almost 80 percent of consumers are not aware of any efforts to reduce health care fraud. However, the vast majority of survey respondents (85 percent) indicate that they would be inclined to report suspected fraud if they knew more about it.

Office of Inspector General Outreach Initiative

In 1996, the OIG launched a new initiative called "Outreach." The primary goal of the outreach initiative is to combat Medicare fraud, waste, and abuse. Our first activity was to create a more user-friendly OIG fraud hotline (the toll-free number that people can call to report suspected fraud of the programs of the Department of Health and Human Services). This involved developing a simple menu system and having most callers connect with a person, rather than a recording. We implemented the improved hotline in July 1997.

Next, we plan to conduct a nationwide outreach campaign to educate beneficiaries and other citizens on Medicare fraud—what it is, how to recognize it, and where to report it. The campaign will promote the OIG hotline and educate consumers about its appropriate use. As a first step, we developed partnerships with other agencies and organizations also involved in fighting Medicare fraud—the Health Care Financing Administration (HCFA), the Administration on Aging (AoA), and AARP. Through the assistance of a marketing firm and a number of focus groups, we are designing the campaign and developing a variety of campaign materials, including a logo, poster, brochure, fact sheet, article series, Rolodex card, and public service announcements for print media.

AoA and AARP have related activities as part of the outreach campaign. AoA has received funding for two separate grant programs. Both are designed as health care anti-fraud outreach programs for older Americans. First, the Omnibus Consolidation Appropriations Act of 1997 (P.L. 104-209) established demonstration grants to train retired professionals to teach their peers how to read and interpret their Explanation of Medicare Benefits (EOMBs) statements in order to identify Medicare fraud, waste, and abuse. Twelve grants, referred to as “Harkin grants” because the legislation was offered by Senator Harkin of Iowa, were awarded by AoA in June 1997. Second, under the Health Insurance Portability and Accountability Act (HIPAA), AoA has funded anti-fraud and abuse grants to 15 State agencies on aging. In addition to funding outreach training for aging network staff, these “HIPAA grants” provide for public awareness campaigns.

AARP plans to craft an education campaign to engage its members in the fight against health care fraud. AARP will develop a brochure on health care fraud and the importance of reading Medicare claims statements. AARP will also develop a basic training kit to train volunteers how to teach Medicare beneficiaries about fraud and reading Medicare claims statements. Further, AARP will develop fact sheets about medical areas particularly vulnerable to fraud, such as home health, laboratories, nursing homes, and durable medical equipment. Finally, AARP plans to develop public service announcements for print and broadcast media.

We undertook this study to gather baseline data on Medicare beneficiaries prior to the launch of the various outreach activities. We will repeat this study in 1-2 years. This will enable us to measure the effect the outreach activities have had on beneficiaries’ awareness of Medicare fraud.

METHODOLOGY

We conducted a telephone survey of Medicare beneficiaries. Specifically, we selected a simple random sample of 625 Medicare beneficiaries from HCFA’s national claims history file. Of the 625 beneficiaries, we were able to find phone numbers for 467. The sampled beneficiaries had at least one claim submitted to a Medicare Part B carrier during 1996. We excluded beneficiaries currently enrolled in Medicare managed care, beneficiaries enrolled in managed care at some point during 1996, and deceased beneficiaries. We sent personalized letters to each of the 467 Medicare beneficiaries approximately 1 week before we fielded the survey.

We conducted interviews with 329 of the 625 beneficiaries or their proxy for a response rate of 53 percent. Of the 329 interviews, 48 (15 percent) were conducted with a proxy who answered the survey on behalf of the beneficiary when the beneficiary was unable to participate due to illness, cognitive impairment, or a disability that prevented participation. We asked that the proxy respondent be the person who handles the beneficiary’s medical business. Most commonly, proxies were a spouse (48 percent), a child (19 percent), or another family member (25 percent). In the report, when presenting data about “beneficiaries,” we are referring to beneficiaries and proxies. Appendix D presents an analysis of respondents and non-respondents.

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

FINDINGS

KNOWLEDGE OF FRAUD

More than half of beneficiaries believe that Medicare fraud is common.

Our survey results showed 53 percent of sampled Medicare beneficiaries agree that Medicare fraud is common. Of those, 39 percent “strongly agree” and 14 percent “slightly agree.” Fourteen percent disagree that fraud is common. Interestingly, almost one-third (32 percent) “don’t know” if fraud is common.

Beneficiaries want to play a role in stopping Medicare fraud.

While Medicare beneficiaries believe that Medicare fraud is common, they also believe that they have a part to play in stopping it. Medicare beneficiaries overwhelmingly agree (94 percent) with the statement, “It is my personal responsibility to report suspected cases of Medicare fraud.” Further, beneficiaries believe it is worth their while to combat fraud. Just 17 percent of beneficiaries agreed with the statement “It’s not worth the time and effort for me to report and pursue suspected health care fraud.” Finally, 85 percent of beneficiaries said they would not be reluctant to report suspected fraud.

Most beneficiaries say they read their Explanation of Medicare Benefits statements (EOMBs).

Almost three out of four Medicare beneficiaries (74 percent) say they “always” read their EOMBs. Some beneficiaries (44 percent) also get help reading their EOMBs, most commonly from a spouse or a child. Only 11 percent of beneficiaries say they “hardly ever” or “never” read their EOMBs.¹

Further, a relationship exists between reading EOMBs regularly and having knowledge about fraud. We define those having knowledge of fraud as beneficiaries who say they have either received information or asked about or looked for information on Medicare fraud.² We found that 28 percent of beneficiaries who “always” read their EOMBs are knowledgeable about Medicare fraud compared to only 16 percent of beneficiaries who “sometimes” read their EOMBs and only 3 percent of those who “hardly ever” or “never” read their EOMBs. Possibly, the relationship occurs because beneficiaries who are already knowledgeable about fraud know the importance of reading their EOMBs rather than that the beneficiaries become knowledgeable about fraud because they read their EOMBs.

However, most Medicare beneficiaries believe that recognizing fraud is difficult.

The first step to detecting fraud is reviewing one's EOMB statements. Yet, beneficiaries may not know what they should keep an eye out for. Many do not know how to recognize Medicare fraud. Almost six out of ten beneficiaries (58 percent) disagree with the statement "Medicare fraud is easy to recognize" and an additional 19 percent "don't know" if Medicare fraud is easy to recognize.

Further, most beneficiaries say they have not received information on Medicare fraud.

Only 15 percent of beneficiaries say they have received or looked for information on Medicare fraud.³ Of those who received information, 31 percent say they received information from Medicare in some way, such as the Medicare handbook, EOMBs, or from Medicare carriers that process Medicare claims.

Table 1:
Beneficiaries receive information on Medicare fraud from a variety of sources⁴

| <i>Source of Information</i> | <i>Percent of Beneficiaries Receiving Information from Source (of those who received information)</i> |
|------------------------------|---|
| Medicare | 31% |
| AARP | 21% |
| Newspaper or magazines | 19% |
| Television or radio | 13% |
| Other source | 27% |

Finally, beneficiaries are not aware of agencies working to reduce Medicare fraud.

Beneficiaries may not think to look for Medicare fraud not only because they do not know what to look for, but also because they are not aware that government agencies are interested in stopping Medicare fraud. Eighty-eight percent of beneficiaries say they are not aware of any agencies that work to reduce Medicare fraud. This finding closely mirrors the AARP survey that found 79 percent of consumers were not aware of any efforts to reduce health care fraud.

ENCOUNTERING AND REPORTING POTENTIAL FRAUD

Almost one in five beneficiaries say they have encountered potential Medicare fraud while they have been in the Medicare program.

In our survey of Medicare beneficiaries, 19 percent of respondents report that they have encountered potential Medicare fraud.⁵ Ten percent of beneficiaries have encountered a doctor or other health care provider that billed Medicare for services or equipment they did not receive. Seven percent have encountered a doctor or other health care provider that billed Medicare for the same services or equipment more than once.

We analyzed a number of variables to determine which beneficiaries are more likely to encounter fraud, including income level, age, marital status, education level, and self-reported health status. Two factors appear to predict if a beneficiary will encounter fraud—education level and self-reported health status. Beneficiaries were asked to rate their health as either excellent (21 percent), good (36 percent), fair (31 percent), or poor (11 percent). As shown in Table 2 below, beneficiaries who were both educated beyond high school *and* in fair or poor health were much more likely to reported encountering fraud than all other beneficiaries. This probably does not suggest that having a higher educational level leads a person to be a “target” for Medicare fraud. Rather, this could suggest that having a higher educational level may cause a person to be more knowledgeable about potential fraud and abuse situations.

| <i>Table 2: Education and self-reported health status affect whether a beneficiary has encountered potential Medicare fraud</i> | | |
|---|------------------------------------|---|
| <i>Education Level</i> | <i>Self-reported Health Status</i> | <i>Percent Reporting Encountering Potential Fraud</i> |
| Beyond High School | Fair or Poor | 36% |
| | Excellent or Good | 18% |
| High School or Less | Fair or Poor | 13% |
| | Excellent or Good | 15% |

Beneficiaries say they would report suspected Medicare fraud, but many do not when actually faced with a potentially fraudulent situation.

Eighty-five percent of beneficiaries say that they would not be reluctant to report Medicare fraud. However, of those beneficiaries who said they have encountered potential fraud, only 55 percent reported it.

Most beneficiaries are not aware there is a toll-free number to report Medicare fraud.

Eighty-six percent of beneficiaries do not know there is a toll-free hotline to report Medicare fraud. We asked beneficiaries whom they would contact if they encountered Medicare fraud. Almost one-third (29 percent) say they do not know whom to contact. Likewise, if an EOMB showed that Medicare had paid for services or products the beneficiary did not receive, 21 percent of beneficiaries do not know whom to contact.

Beneficiaries have different ideas about where to report potential fraud or problems with their EOMBs. Table 3 shows where beneficiaries say they would report fraud or billing errors. Interestingly, a significantly higher percentage of beneficiaries with suspected errors on their EOMBs (26 percent) would contact their health care provider as opposed to those who believe they have encountered actual fraud (9 percent). This could suggest that beneficiaries are more comfortable checking out billing errors with their physician, rather than accusing their physician of fraud. It could also suggest that beneficiaries do not understand that apparent billing errors on EOMBs could potentially be a fraud or abuse situation.

| Table 3: Beneficiaries would contact a variety of sources if they suspected fraud or noticed errors on EOMB | | |
|--|---|--|
| <i>Whom beneficiary would contact</i> | <i>If beneficiary encountered health care fraud (q. 23)</i> | <i>If beneficiary's EOMB showed that Medicare had paid for services or products not received (q. 34)</i> |
| Medicare/HCFA | 27% | 28% |
| Doctor or hospital who committed the fraud/billed for services or products | 9% | 26% |
| Insurance company that processes Medicare claims | 10% | 12% |
| Social Security office | 11% | 6% |
| Don't know | 29% | 21% |

Of those beneficiaries who had reported a potential fraud, 46 percent reported it to the doctor or hospital that committed the potential fraud. Thirty-three percent of beneficiaries reported the potential fraud to Medicare and 21 percent reported it to their insurance company.

If beneficiaries knew more, they would be more likely to report potential fraud.

Almost nine out of 10 beneficiaries (89 percent) agree that if they knew more about Medicare fraud, they would be more likely to report it.

REACHING MEDICARE BENEFICIARIES THROUGH OUTREACH

To look at the bigger picture, beneficiaries want to play a role in stopping Medicare fraud and have taken the first step by reading their EOMBs, but they are not sure how to recognize fraud and where to report it. Therefore, designing an education campaign to reach them is a natural step. When designing outreach campaign activities to educate beneficiaries and other citizens about recognizing and reporting Medicare fraud, it is important to understand from where they receive information. This understanding can assist in preparing the campaign to reach as many people as effectively as possible.

Magazine readership is high among beneficiaries.

Seventy-two percent of beneficiaries say they read magazines regularly. We asked respondents to identify which magazines they read, and then we categorized the magazines into 12 types of magazines (e.g., news, women’s). Entertainment and general interest magazines are the most popular among respondents with 40 percent saying they read a magazine in that category. News magazines and women’s magazines are also popular with approximately one-quarter of beneficiaries. The chart on the following page shows the most commonly read categories of magazines.

| <i>Category of magazine</i> | <i>Percent reading “regularly”</i> |
|------------------------------------|------------------------------------|
| Entertainment/ general interest | 40% |
| News | 25% |
| Women’s | 23% |
| Hobbies/crafts/sports | 17% |
| Homes & gardens | 16% |

We specifically asked how often beneficiaries read *Modern Maturity*, AARP’s magazine. More than half say they read it; 36 percent say “regularly” and 19 percent “sometimes.” Additionally, 30 percent of beneficiaries read AARP’s *The Bulletin* “regularly” and 15 percent “sometimes.”

A large majority of beneficiaries regularly receive news through mainstream media.

Beneficiaries regularly read the newspaper and watch national and local news. Three out of four beneficiaries say they regularly read the newspaper. Eighty percent of beneficiaries say they regularly watch national news on television and 77 percent regularly watch local news. This confirms the desirability of using the mainstream media, where possible, for the outreach campaign.

Many beneficiaries watch cable television channels for news and entertainment.

Almost two-thirds (62 percent) of beneficiaries say they regularly watch at least one cable channel. Because beneficiaries commonly watch cable television, we should consider cable as a possible avenue for the outreach campaign.

NEXT STEPS

We conducted this survey to prepare for our outreach campaign to educate beneficiaries on Medicare fraud and where to report it. We collected baseline data on Medicare beneficiaries' current awareness of Medicare fraud and data on the media preferences of beneficiaries.

The survey confirms the need for a campaign to educate beneficiaries. Beneficiaries appear to be on the right track with a large majority saying they already "always" read their EOMBs. Because of the information provided on the EOMB, reviewing EOMB statements is the best way to detect billing errors and potential fraud. However, the survey results suggest that beneficiaries may not know what to look for on their EOMBs. As mentioned earlier, AARP and AoA have ongoing activities to address this. AARP is developing materials to educate beneficiaries about how to spot irregularities on their EOMBs. AoA has funded projects to educate beneficiaries how to read their EOMBs. The survey also found that few beneficiaries know of the existence of a toll-free Medicare fraud hotline number. To address this, we are working with HCFA to begin printing the phone number for the OIG fraud hotline on EOMBs along with a message encouraging beneficiaries to report suspected fraud and abuse.

As we prepare for the launch of the outreach campaign activities, the outreach partners (OIG, AoA, HCFA, and AARP) should keep in mind where beneficiaries receive information. We found that more than half of beneficiaries read AARP's magazine, *Modern Maturity*, regularly or sometimes. This makes *Modern Maturity* an ideal publication in which to print stories and information about Medicare fraud. Further, because the mainstream media has a large following, newspapers and national and local news programs may be effective avenues for certain components of the campaign. Cable television, while not quite as popular as the mainstream media, may also effectively reach beneficiaries and other citizens. AARP is developing public service announcements for broadcast media.

We plan to repeat this survey after the outreach campaign has been underway for a year or two. This will enable us to measure the effect the outreach activities have had on Medicare beneficiaries' awareness of Medicare fraud.

ENDNOTES

1. In the 11 percent, we included those beneficiaries who also said they “don’t know” how often they read their EOMBs.
2. Beneficiaries defined to be “knowledgeable about Medicare fraud” are those who answered “yes” to survey questions 19, 21, or 25. See appendix A for survey questions.
3. To calculate the percentage of beneficiaries who have received or have asked or looked for information on Medicare fraud, we added the results of survey questions 19 and 21. When a beneficiary said “yes” to both questions, we counted that response only once. See appendix A for survey questions.
4. To calculate the percentage of beneficiaries who have received or have asked or looked for information on Medicare fraud from a variety of sources, we added the results of survey questions 20 and 21A. When a beneficiary said he or she received information from the same source for both questions, we counted that response only once. See appendix A for survey questions.
5. To calculate the percentage of beneficiaries encountering potential fraud, we added the results of survey questions 14, 15a, 15b, 15c, and 18 when a beneficiary had a “yes” answer to one or more of the questions. Each beneficiary with more than one “yes” response was counted only once. See appendix A for survey questions.

APPENDIX A

Telephone Survey Instrument and Frequencies

n=329 respondents

MEDIA OUTREACH:

1. I'd like to know how often, if ever, you read certain types of publications, listen to the radio, or watch certain types of TV shows. How often do you _____? Would you say regularly, sometimes, hardly ever, or never. **(IF NECESSARY, READ SCALE FOR EACH QUESTION)**

| | Regularly | Some-times | Hardly Ever | Never | Don't know | Refused |
|--|-----------|------------|-------------|-------|------------|---------|
| 1A. Read a newspaper | 75% | 11% | 5% | 8% | 0% | 1% |
| 1B. Watch NATIONAL news | 80 | 13 | 3 | 3 | 0 | 1 |
| 1C. Watch LOCAL news | 77 | 14 | 5 | 3 | 0 | 1 |
| 1D. Watch television talk shows such as Oprah, Rosie O'Donnell, or Geraldo | 13 | 19 | 23 | 43 | 0 | 1 |
| 1E. Listen to public radio shows that invite listeners to call in to discuss current events, public issues, and politics | 16 | 17 | 15 | 51 | 0 | 1 |

2. Which of the following cable channels, if any, do you watch regularly? Do you watch...? **(INTERVIEWER: IF NO CABLE, ENTER NO FOR ALL)**

| | Yes | No | Don't Know | Refused |
|--|-----|----|------------|---------|
| 2A. A&E (Arts & Entertainment Network) | 37 | 58 | 4 | 1 |
| 2B. The Family Channel | 41 | 55 | 2 | 1 |
| 2C. Lifetime | 31 | 65 | 4 | 1 |
| 2D. Discovery Channel | 49 | 49 | 1 | 1 |
| 2E. USA | 40 | 57 | 2 | 1 |
| 2F. CNN | 56 | 42 | 1 | 1 |

3. Are there any magazines that you read regularly?

72__ Yes (CONTINUE WITH Q3A)

27__ No (SKIP TO Q4)

0__ Don't Know (SKIP TO Q4)

1__ Refused (SKIP TO Q4)

3A. Which magazines?

(DO NOT ASK) INTERVIEWER SHOULD CATEGORIZE. SELECT ONLY ONE CATEGORY PER MAGAZINE: Which categories do they tend to fall under?

25_ News

23_ Women's

54_ Seniors'

16_ Homes & Gardens

17_ Hobbies/Crafts/Sports

8__ Literary/Arts & Science

40_ Entertainment/General Interest

8__ Nature/Environment

8__ Health & Nutrition

2__ Regional/Metropolitan/Local

5__ Consumer

3__ Business/Financial

19_ Other

| | Regularly | Some-times | Hardly Ever | Never | Don't Know | Refused |
|--|-----------|------------|-------------|-------|------------|---------|
| 4. How frequently do you read <i>Modern Maturity</i> , a magazine produced by AARP (American Association of Retired Persons)? Would you say... | 36 | 19 | 6 | 36 | 1 | 2 |
| 5. How frequently do you read AARP's monthly newspaper called <i>The Bulletin</i> ? Would you say... | 30 | 15 | 8 | 43 | 3 | 2 |

6. Are you employed at a regular full-time job, employed at a part-time job, unemployed, retired, or a homemaker? **(RECORD ALL MENTIONS)**

6__ full-time job

5__ part-time job

4__ unemployed

72_ retired

10_ homemaker

2__ "on disability"

2__ other; specify _____

0__ don't know

1__ refused

MEDICARE FRAUD. INTERVIEWER READS: Now I am going to ask you some questions about Medicare fraud. First, I'm going to read several statements and then ask you whether you agree or disagree with each statement. **FOR PROXY RESPONDENTS ONLY:** Your answers should be about *your* attitudes.

The first statement is _____. **AFTER INTERVIEWEE RESPONDS WITH AGREE OR DISAGREE, ASK:** Would that be by *slightly* or *strongly*?

| | Agree strongly | Agree slightly | Disagree slightly | Disagree strongly | Don't Know | Refused |
|--|----------------|----------------|-------------------|-------------------|------------|---------|
| 8. It's my personal responsibility to report suspected cases of Medicare fraud. | 85 | 9 | 2 | 1 | 4 | 1 |
| 9. It's not worth the time and effort for me to report and pursue suspected health care fraud. | 12 | 5 | 14 | 64 | 5 | 1 |
| 10 If I knew more about Medicare fraud, I would be more likely to report it. | 71 | 17 | 4 | 2 | 4 | 1 |
| 11 Medicare fraud is easy to recognize. | 13 | 9 | 22 | 37 | 19 | 1 |
| 12 Medicare fraud is common. | 39 | 14 | 7 | 7 | 32 | 1 |

13. Are you aware of any agencies that work to reduce Medicare fraud?

12 Yes (CONTINUE WITH Q13A)

85 No (SKIP TO Q14)

3_ Don't Know (SKIP TO Q14)

1_ Refused (SKIP TO Q14)

13a. Do you remember who they are? (**RECORD ALL MENTIONS**)

42_ federal government; General response (**ASK: Which agency or department?**)

16_ The federal government: Medicare Program/HCFA

5_ The federal government: HHS Office of the Inspector General

5_ The federal government: Justice Department

3_ The federal government: FBI

5_ State government: General response (**ASK: Which agency or department?**)

3_ The American Hospital Association

37_ AARP

8_ Newspapers/media

5_ Other; please specify _____

13_ Don't know

0_ Refused

INTERVIEWER READS: Now I'm going to ask you a few questions about your experiences with Medicare. **FOR PROXY RESPONDENTS:** For these next questions, you should answer about Mr/Mrs _____'s experiences with the Medicare program.

14. While you have been in the Medicare program, do you think you have ever encountered fraud?

13_ Yes (GO TO Q14A)

76_ No (SKIP TO Q15)

10_ Don't Know (SKIP TO Q15)

1_ Refused (SKIP TO Q15)

14A. Can you briefly describe the fraud for me?

14B. Did you report the fraud?

55_ Yes (GO to Q14C)

43_ No (SKIP TO Q15)

2_ Don't Know (SKIP TO Q15)

0_ Refused (SKIP TO Q15)

- 14C. Whom did you report it to? **(DO NOT READ. RECORD ALL MENTIONS)**
- 46_ The doctor or hospital that committed the fraud.
 - 4_ A doctor who did not commit the fraud
 - 21_ The insurance company that processes your Medicare claims
 - 4_ OIG Fraud Hotline
 - 33_ Medicare/ HCFA
 - 17_ Other (Please specify _____)
 - 8_ Don't know
 - 0_ Refused
15. While you have been in the Medicare program, **(READ FOR EACH QUESTION)** do you think you have ever encountered...
- 15A. A doctor or other health care provider *that billed Medicare for the same services or equipment more than once?*
- 6_ Yes
 - 83_ No
 - 11_ Don't Know
 - 1_ Refused
- 15B. A doctor or other health care provider *that billed Medicare for services or equipment you did not receive?*
- 9_ Yes
 - 83_ No
 - 8_ Don't Know
 - 1_ Refused
- 15C. Health care providers sending you equipment that was not ordered by your doctor?
- 1_ Yes
 - 95_ No
 - 3_ Don't Know
 - 1_ Refused
16. Has anyone offered you medical *equipment* and said that Medicare would pay for it, and it would not cost you anything?
- 6_ Yes (CONTINUE WITH Q16A)
 - 92_ No (SKIP TO Q17)
 - 2_ Don't Know (SKIP TO Q17)
 - 1_ Refused (SKIP TO Q17)
- 16A. What equipment was offered?

16B. How were you offered the equipment? **(DO NOT READ. RECORD ALL MENTIONS)**

11_ By telephone

11_ By mail

11_ In a medical supply store

42_ Doctor or other health care provider/doctor's office

26_ Other _____

5_ Don't Know

0_ Refused

17. Has anyone offered you free medical *services* or *tests*?

9_ Yes (CONTINUE WITH Q17A-D)

90_ No (SKIP TO Q18)

0_ Don't Know (SKIP TO Q18)

1_ Refused (SKIP TO Q18)

17A. What service or test was offered? **(DO NOT READ. RECORD ALL MENTIONS)**

21_ Cholesterol

21_ Blood pressure

7_ Foot care

18_ Flu shot

57_ Other _____

11_ Don't know

0_ Refused

17B. *Where* were you offered the service or test? **(DO NOT READ. RECORD ALL MENTIONS)**

7_ In a shopping mall

7_ At a Health Fair/Expo

21_ At a Senior Center

14_ By telephone

18_ By doctor or other health care provider/Dr's office

39_ Other; please specify _____

4_ Don't Know

0_ Refused

17C. Did you take the service?

57_ Yes (CONTINUE WITH Q17D)

43_ No (SKIP TO Q18)

0_ Don't Know (SKIP TO Q18)

0_ Refused (SKIP TO Q18)

- 17D. Did you have to give your Medicare number to the person providing the free service or test?
- 38_ Yes
 - 38_ No
 - 19_ Don't Know
 - 6_ Refused
18. **(IF ANSWERED YES TO 15 A-C, 16, OR 17D)** Were you suspicious of any of the situations or suspect that they involved Medicare fraud?
- 43_ Yes (CONTINUE WITH 18A)
 - 45_ No (SKIP TO Q19)
 - 9_ Don't Know (SKIP TO Q19)
 - 4_ Refused (SKIP TO Q19)
- 18A. What was the situation?

ACCESS TO INFORMATION ON MEDICARE FRAUD: INTERVIEWER READS: Now I'm going to ask a few question about information on Medicare fraud. **FOR PROXY RESPONDENTS:** You should answer these questions about your own experiences.

19. Have you ever *received* information on how to recognize Medicare fraud?
- 11_ Yes (CONTINUE WITH Q 20)
 - 81_ No (SKIP TO Q 21)
 - 8_ Don't Know (SKIP TO Q21)
 - 1_ Refused (SKIP TO Q21)
20. *Who* provided you with information on how to recognize Medicare fraud? **(DO NOT READ. RECORD ALL MENTIONS)**
- 22_ Medicare/ HCFA/ Medicare Handbook
 - 5_ Insurance company that processes your Medicare claims
 - 5_ Social Security office
 - 3_ Doctor or other health care provider/Doctor's office
 - 3_ Local senior center or seniors' group
 - 8_ TV
 - 5_ Radio programs
 - 22_ AARP
 - 11_ Newspaper
 - 19_ Other; please specify _____

16_ Don't Know

3__ Refused

21. Have you ever *asked about* or *looked for* information concerning Medicare fraud?

5__ Yes (CONTINUE WITH Q21A AND SKIP Q22)

93_ No (SKIP TO Q22)

1__ Don't Know (SKIP TO Q22)

1__ Refused (SKIP TO Q22)

21A. *Where* did you ask about or look for information about Medicare fraud? (**DO NOT READ**

LIST. RECORD ALL MENTIONS.)

19_ Medicare /HCFA/ Medicare Handbook

13_ Medical claims statements

6__ Insurance company that processes your Medicare claims

6__ Consumer organizations

6__ Doctor or other health care provider/Doctor's office

13_ TV

6__ Radio programs

19_ AARP

38_ Newspapers

19_ Magazines

6__ Other; please specify _____

6__ Don't Know

0__ Refused

22. *Where* would you be *most likely to look* for information about Medicare fraud?

(DO NOT READ. RECORD ALL MENTIONS.)

10_ Medicare/ HCFA/ Medicare Handbook

11_ Medical claims statements

3__ Insurance company that processes your Medicare claims

1__ Insurance company that issues your supplemental (Medigap) policy

1__ Consumer organizations

2__ Government agencies-general

8__ Social Security office

7__ Doctor or other health care provider/Doctor's office/Hospital

- 1__ Phone book/Yellow pages
- 2__ Local senior center or seniors' group
- 5__ TV
- 2__ Radio programs
- 6__ AARP
- 1__ Internet or World Wide Web
- 8__ Newspapers
- 4__ Library
- 4__ Magazines
- 3__ Other; please specify _____
- 37__ Don't Know
- 3__ Refused
- 2__ I would not look for information

23. If you encountered health care fraud in the Medicare program, whom would you contact? **(DO NOT READ. RECORD ALL MENTIONS.)**

- 9__ The doctor or hospital that committed the fraud.
- 3__ A doctor who did not commit the fraud
- 10__ The insurance company that processes your Medicare claims
- 3__ The insurance company that issues your supplemental (Medigap) policy
- 1__ OIG Fraud Hotline
- 27__ Medicare/ HCFA
- 1__ AARP
- 11__ Social Security Office
- 1__ Police
- 3__ Attorney general or district attorney
- 3__ Congressperson or other elected representative
- 5__ Other Government agency (other than those listed above)
- 1__ Phone number on EOMB
- 2__ Other (Please specify _____)
- 29__ Don't know/ I would not know who to call
- 2__ Refused

24. Would you be reluctant to report suspected Medicare fraud?

11_ Yes (CONTINUE WITH Q24A)

85_ No (SKIP TO Q25)

3_ Don't Know (SKIP TO Q25)

2_ Refused (SKIP TO Q25)

24A. *What* would make you reluctant to report fraud? **(DO NOT READ. RECORD ALL MENTIONS.)**

9_ I would lose my benefits

11_ My doctor might get in trouble

6_ I'm not sure what fraud is

9_ I don't know whom to contact

3_ I don't have the time

6_ It's not worth the effort

20_ Would want to be sure it is fraud

9_ Concerned about retaliation from doctor

14_ Don't want to get involved

14_ Other _____

11_ Don't know

6_ Refused

25. Are you aware there is a toll free hotline to report Medicare fraud?

13_ Yes (CONTINUE WITH Q26)

83_ No (SKIP TO Q31)

2_ Don't Know (SKIP TO Q31)

1_ Refused (SKIP TO Q31)

26. How did you hear about the hotline? **(RECORD ALL MENTIONS)**

16_ Medicare/ HCFA/ Medicare Handbook

12_ Medical claims statements

9_ Insurance company that processes your Medicare claims

2_ Social Security office

2_ Doctor or other health care provider/Doctor's office

2_ Local senior center or seniors' group

14_ TV

- 14_ AARP
- 5__ Friend/family member
- 2__ Magazine
- 12_ Newspaper
- 9__ Other _____
- 12_ Don't Know/Don't Remember
- 0__ Refused

27. Did you ever call the hotline?

- 12_ Yes (CONTINUE WITH Q28)
- 86 No (SKIP TO Q31)
- 0__ Don't Know (SKIP TO Q31)
- 2__ Refused (SKIP TO Q31)

28. Were the recorded message and instructions on the hotline understandable?

- 60_ Yes
- 0__ No
- 40_ Don't Know/ Don't remember
- 0__ Refused

29. Was the operator courteous?

- 100 Yes
- 0__ No
- 0__ Don't Know/ Don't remember
- 0__ Refused

30. How satisfied were you with the how your call was handled? Would you say you were very satisfied, somewhat satisfied, somewhat unsatisfied, or very unsatisfied?

- 60_ Very satisfied
- 20_ Somewhat satisfied
- 0__ Somewhat unsatisfied
- 0__ Very unsatisfied
- 20_ Don't Know/ Don't remember
- 0__ Refused

MEDICARE EOMBs:

INTERVIEWER READS: Now I am going to ask questions about your experiences with Medicare claims and your Explanation of Medicare Benefits Statements (EOMB), that is the statements that Medicare sends out after a claim is filed. **FOR PROXY RESPONDENTS ONLY:** These next questions should be answered about *your* experiences with Mr/Mrs _____'s Medicare claims and statements.

31. How frequently do you read your Explanation of Medicare Benefits Statement? Would you say always, sometimes, hardly ever, or never?

74_ Always

13_ Sometimes

4_ Hardly ever

4_ Never

3_ Don't Know

2_ Refused

32. Does anyone else, such as a family member, friend, or professional, also read these Explanation Of Medicare Benefits statements?

44_ Yes (CONTINUE WITH Q32A)

50_ No (SKIP TO Q33)

4_ Don't Know (SKIP TO Q33)

2_ Refused (SKIP TO Q33)

32A. Who is that person? (**RECORD ALL MENTIONS**)

70_ spouse

18_ son/daughter

1_ parent

1_ doctor

2_ friend

7_ other _____

0_ don't know

1_ refused

33. Do you read anyone else's Explanation Of Medicare Benefits?
- 36_ Yes (GO TO 33A)
 - 62_ No (GO TO 34)
 - 0__ Don't Know (GO TO 34)
 - 2__ Refused (GO TO 34)
- 33A. Whose do you read? **(RECORD ALL MENTIONS)**
- 13_ my own
 - 69_ spouse
 - 6__ parent
 - 5__ friend
 - 3__ sibling
 - 9__ other relative
 - 6__ other
 - 0__ don't know
 - 0__ refused
34. If your Explanation of Medicare Benefits Statement showed that Medicare had paid for services or products you did not receive, whom would you contact? **(DO NOT READ. RECORD ALL MENTIONS.)**
- 26_ The doctor or hospital that billed for the services or products
 - 2__ A doctor who did NOT bill for the services or products
 - 12_ The insurance company that processes your Medicare claims
 - 2__ The insurance company that issues your supplemental (Medigap) policy
 - 8__ OIG Fraud Hotline
 - 28_ Medicare/ HCFA
 - 2__ I would consult a family member or a close friend
 - 6__ Social Security Office
 - 1__ Attorney general or district attorney
 - 2__ Other Government agency (other than those listed above)
 - 2__ Phone number on EOMB
 - 2__ Other (Please specify _____)
 - 21_ Don't know/ I would not know who to call/contact
 - 1__ Refused

DEMOGRAPHIC INFORMATION

INTERVIEWER READS: Finally, I'd like to ask a few questions for statistical purposes only. As I said earlier, your answers will be completely confidential. **FOR PROXY RESPONDENTS ONLY:**

These next questions should be answered about Mr/Mrs. _____.

35. What is the highest level of education you completed?

- 19_ completed less than 9th grade
- 8__ up to and through 11th grade
- 34_ high school graduate
- 17_ Some College
- 3__ Associates Degree
- 9__ Bachelors Degree
- 0__ Some Graduate School
- 8__ Graduate or Professional Degree
- 1__ Don't Know
- 2__ Refused

36. How would you describe your racial or ethnic background?

- 86_ White/Caucasian
- 5__ Black/African American
- 0.3 Asian or Pacific Islander (1 beneficiary)
- 3__ Hispanic
- 0.6 Native American or Alaskan Native (2 beneficiaries)
- 1__ Other--please specify _____
- 1__ Don't Know
- 3__ Refused

37. What year were you born in? _____

- ___ don't know
- ___ refused

38. What is your current marital status? **(IF NECESSARY, Are you now married, widowed, divorced, separated, single, or living as married?)**

59_ Married

27_ Widowed

5__ Divorced

0__ Separated

6__ Single

0__ Living as married

0_ Don't Know

1__ Refused

39. What type of residence do you live in?

90_ Private Home/Private Apartment

4__ Congregate Senior Housing (assisted living, senior apartment building, retirement community)

4__ Nursing Home **(IF YES, SKIP TO Q41)**

0__ Other _____

0__ Don't Know

2__ Refused

40. Do you live alone, (just with your spouse/partner), or do you (and your spouse/partner) live with other people?

29_ Alone

53_ Just with Spouse/Partner

7__ With Spouse/Partner and Others

8__ Live with Others (includes living with grown children)

0__ Don't know

3__ Refused

41. How would you rate your health? Would you rate it as excellent, good, fair, or poor?
- 21_ Excellent
 - 36_ Good
 - 31_ Fair
 - 11_ Poor
 - 0__ Don't Know
 - 2__ Refused
42. And finally, approximately what is your total annual family income before taxes -- just tell me when I get to the right category. **(READ)**
- 18_ Less than \$10,000
 - 25_ \$10,000 to under \$20,000
 - 18_ \$20,000 to under \$30,000
 - 11_ \$30,000 to under \$40,000
 - 7__ \$40,000 to under \$60,000
 - 5__ \$60,000 to under \$100,000
 - 2__ \$100,000 or more
 - 5__ Don't know
 - 10_ Refused

(NOTE TO INTERVIEWER: If respondent is a proxy, continue with Q43. If there is no proxy, END THE SURVEY.)

FOR PROXY RESPONDENTS ONLY. INTERVIEWER READS: Finally, I want to ask you just a few questions about yourself.

43. What is your relationship to Mr/Mrs _____ (the Medicare beneficiary)? **(i.e., are you his/her _____?)**
- 48_ Spouse
 - 19_ Child
 - 25_ Other Family Member
 - 4__ Friend
 - 4__ Other _____
 - 0__ Don't know
 - 0__ Refused

44. About how often do you see or talk to Mr/Mrs. _____ (the Medicare beneficiary)?
- 67_ Daily
 - 19_ Several times a week
 - 6_ Once a week
 - 4_ Twice a month
 - 4_ Monthly
 - 0_ Less than monthly
 - 0_ Don't know
 - 0_ Refused
45. What is the highest level of education you completed?
- 13_ through 8th grade
 - 6_ through 11th grade
 - 19_ high school graduate
 - 31_ Some College
 - 0_ Associates Degree
 - 21_ Bachelors Degree
 - 2_ Some Graduate School
 - 4_ Graduate or Professional Degree
 - 0_ Don't Know
 - 4_ Refused
46. And finally, what year were you born in? _____
- ___ Don't Know
 - ___ Refused
47. Proxy's gender
- 40_ Male
 - 60_ Female

APPENDIX B

Baseline Statistics

The following tables show the point estimates and 95 percent confidence intervals for selected baseline statistics that will be tracked over time.

| Baseline Statistic | Point Estimate | 95% confidence interval |
|---|-----------------------|--------------------------------|
| Percent of Medicare beneficiaries who always read their EOMBs | 74% | 69% - 79% |
| Percent of Medicare beneficiaries who are knowledgeable about fraud (“knowledgeable” defined as answering “yes” to survey questions 19, 21, or 25) | 23% | 19% - 28% |
| Percent of beneficiaries who are not aware of any agencies that work to reduce Medicare fraud | 88% | 84% - 91% |
| Percent of beneficiaries who do not know there is a toll-free hotline to report Medicare fraud | 86% | 82% - 89% |
| Of Medicare beneficiaries who say they have encountered potential fraud, percent who reported it. | 55% | 40% - 69% |

APPENDIX C

Confidence Intervals for Selected Statistics

In addition to the baseline statistics shown in appendix B, the following table shows the point estimates and 95 percent confidence intervals for other selected statistics in the order they appear in the report.

| Statistic | Point estimate | 95% confidence interval |
|--|----------------|-------------------------|
| Percent of Medicare beneficiaries who agree that Medicare fraud is common | 53% | 48% - 58% |
| Percent of Medicare beneficiaries who agree with the statement "It is my personal responsibility to report suspected cases of Medicare fraud." | 94% | 91% - 96% |
| Percent of beneficiaries who agree with the statement, "It's not worth the time and effort for me to report and pursue suspected health care fraud." | 17% | 13% - 21% |
| Of beneficiaries who always read their EOMBs, percent who are knowledgeable about fraud | 28% | 23% - 34% |
| Of beneficiaries who sometimes read their EOMBs, percent who are knowledgeable about fraud | 16% | 5% - 27% |
| Of beneficiaries who hardly ever or never read their EOMBs, or who did not know how often they read their EOMBs, percent who are knowledgeable about fraud | 3% | 0% - 8% |
| Percent of beneficiaries who disagree with the statement, "Medicare fraud is easy to recognize." | 58% | 53% - 64% |
| Percent of beneficiaries who "don't know" whether they agree or disagree with the statement, "Medicare fraud is easy to recognize." | 19% | 14% - 23% |
| Percent of beneficiaries who have received or looked for information on Medicare fraud (answered "yes" to questions 19 or 21) | 15% | 11% - 18% |
| Percent of beneficiaries who say that they have encountered potential Medicare fraud (answered "yes" to questions 14, 15a, 15b, or 18) | 19% | 15% - 23% |
| Percent of beneficiaries who have encountered a doctor or other health care provider that billed Medicare for services or equipment they did not receive (based on answers to questions 14a and 15b) | 10% | 7% - 13% |

| Statistic | Point estimate | 95% confidence interval |
|---|-----------------------|--------------------------------|
| Percent of beneficiaries who have encountered a doctor or other health care provider that billed Medicare for the same services or equipment more than once (based on answers to questions 14a and 15a) | 7% | 4% - 9% |
| Of beneficiaries with both (1) an education beyond high school and (2) "fair" or "poor" health, percent that encountered potential fraud | 36% | 24% - 49% |
| Of beneficiaries with both (1) an education beyond high school and (2) "excellent" or "good" health, percent that encountered potential fraud | 18% | 10% - 27% |
| Of beneficiaries with both (1) high school education or less and (2) "fair" or "poor" health, percent that encountered potential fraud | 13% | 5% - 20% |
| Of beneficiaries with both (1) high school education or less and (2) "excellent" or "good" health, percent that encountered potential fraud | 15% | 8% - 21% |
| Percent of beneficiaries who say they would not be reluctant to report Medicare fraud | 85% | 81% - 89% |
| Percent of beneficiaries who "don't know" whom they would contact if they encountered Medicare fraud. | 29% | 24% - 34% |
| Percent of beneficiaries who would contact their health care provider if they suspected errors on their EOMBs | 26% | 22% - 31% |
| Percent of beneficiaries who would contact their health care provider if they encountered fraud | 9% | 6% - 12% |
| Percent of Medicare beneficiaries who agree that if they knew more about Medicare fraud, they would be more likely to report it. | 89% | 85% - 92% |

APPENDIX D

Analysis of Respondents Versus Non-respondents

We compared survey respondents with both survey non-respondents and the population of Medicare fee-for-service beneficiaries using the following four variables: (1) age the beneficiary attained during 1996; (2) gender of the beneficiary; (3) race of the beneficiary; and (4) total amount Medicare paid during 1996 on behalf of the beneficiary. We found that respondents differed from non-respondents by age and race but not by gender or total Medicare payment. Similarly, we found that the respondents were representative of the fee-for-service Medicare population by gender and payment category but were not entirely representative by age and race.

In the tables in this appendix, the "All fee-for-service Medicare beneficiaries" column displays statistics that we calculated from a 1-percent sample of Medicare claims for services provided during calendar year 1996. In calculating these statistics, we excluded beneficiaries who died during 1996. In these tables, the sums of individual percents may not exactly equal 100 percent because of rounding.

ANALYSIS BY AGE

While the difference between respondents and non-respondents in the average (mean) age was not statistically significant, the difference by age group was significant. The under-65 and 85-and-older age groups are under-represented among the respondents, while the age 65 to 75 group is over-represented.

Respondents vs. non-respondents by average age

| | Respondents N = 329 | Non-respondents N = 296 | All fee-for-service Medicare beneficiaries N = 298,970 |
|---------------------------------|------------------------|----------------------------|--|
| Average age (standard error) | 72.7 (0.5) | 70.9 (0.8) | 72.4 (0.02) |

T-test for respondents vs. non-respondents by average age (not statistically significant at the 95 percent confidence level):

$$t = 1.907$$

$$\text{degrees of freedom} = 504.5$$

$$\text{prob} > |t| = 0.0571$$

Respondents vs. non-respondents by age group

| | Respondents | Non-respondents | All fee-for-service Medicare beneficiaries |
|------------------|-------------|-----------------|--|
| Under age 65 | 7.3% | 19.3% | 11.6% |
| Ages 65 to 74 | 52.9% | 40.9% | 45.0% |
| Ages 75 to 84 | 31.9% | 27.0% | 32.2% |
| Age 85 and older | 7.9% | 12.8% | 11.2% |

Chi-square for respondents vs. non-respondents by age group (statistically significant):

chi-square = 26.928

degrees of freedom = 3

prob>chi-square = 0.001

ANALYSIS BY RACE

Respondents differed significantly from non-respondents by race. As shown in the table below, respondents who were white were over-represented among respondents.

Respondents vs. non-respondents by race

| | Respondents | Non-respondents | All fee-for-service Medicare beneficiaries |
|-------|-------------|-----------------|--|
| White | 92.1% | 82.7% | 86.9% |
| Other | 7.9% | 17.3% | 13.1% |

Chi-square for respondents vs. non-respondents by race (statistically significant):

chi-square = 12.666

degrees of freedom = 1

prob>chi-square = 0.001

ANALYSIS BY GENDER

Respondents did not differ significantly from non-respondents by gender, as shown in the table below.

Respondents vs. non-respondents by gender

| | Respondents | Non-respondents | All fee-for-service Medicare beneficiaries |
|--------|-------------|-----------------|--|
| Male | 41.9% | 41.2% | 40.7% |
| Female | 58.1% | 58.8% | 59.3% |

Chi-square for respondents vs. non-respondents by gender (not statistically significant):

chi-square = 0.034

degrees of freedom = 1

prob>chi-square = 0.854

ANALYSIS BY 1996 TOTAL MEDICARE PAYMENT

Respondents did not differ significantly from non-respondents by average Medicare payment (1996 total payment per beneficiary), as shown in the tables below. In addition to comparing average payments, we compared respondents with non-respondents by payment categories, and we did not find any significant differences. An example of this comparison by payment category is shown in the second table below.

Respondents vs. non-respondents by average Medicare payment

| | Respondents | Non-respondents | All fee-for-service Medicare beneficiaries |
|--------------------------------------|-------------|-----------------|--|
| Average (mean) 1996 Medicare payment | \$4,644 | \$5,788 | \$4,609 |
| (standard error) | (\$724) | (\$865) | (\$20) |

T-test for respondents vs. non-respondents by average Medicare payment (not statistically significant):

t = -1.0142

degrees of freedom = 591.8

prob>|t| = 0.3109

Respondents vs. non-respondents by Medicare payment category

| | Respondents | Non-respondents | All fee-for-service Medicare beneficiaries |
|--------------------|-------------|-----------------|--|
| Less than \$10,000 | 86.3% | 85.1% | 87.4% |
| \$10,000 or more | 13.7% | 14.9% | 12.6% |

Chi-square for respondents vs. non-respondents by Medicare payment category (not statistically significant):

chi-square = 0.180

degrees of freedom = 1

prob>chi-square = 0.672