

Physician Health Insurance Rejection by Insurance Type and Patient Characteristics in New Jersey

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ABSTRACT

One in three physicians currently does not accept new Medicaid patients (Decker 2012). U.S. health reform legislation, the Patient Protection and Affordable Care Act (ACA), was signed into law in March 2010, and will enable a predicted 38 million uninsured Americans to gain health insurance coverage by 2023 (CBO, 2012). In 2009-2010, generalist physicians were less likely to accept new Medicaid patients (65%) than were specialty physicians (71%) (NCHS, 2012). According to data from the 2012 National Health Interview Survey, in the 12 months prior to the interview, 2.9% of people in the U.S. had been told that a doctor did not accept their health care coverage (NCHS, 2013). **Hypothesis:** It is hypothesized that patients who are insured by Medicaid are more likely to be told by a doctor that they will not accept their health insurance coverage compared to those who are insured by private insurance. **Participants:** This study examined the health insurance type, socio-demographic, socio-economic and health status factors of 3,533 New Jersey adults who reported having health insurance using the 2012 Behavioral Risk Factor Surveillance System Survey (BRFSS) that included a NJ state-added question administered to 1/3 of the NJ sample. Respondents who did not answer all the items in the analysis were excluded. The data was weighted to enable state-wide estimates. **Methods:** Nested binary logistic regression models were conducted to determine the predictors of health insurance rejection. **Key Finding:** The results indicated that respondents insured by Medicaid/NJ FamilyCare (CHIP) had 1.7 times higher odds of having their insurance turned down by a physician. Respondents who were insured by Medicare or Medicaid/NJ FamilyCare, respectively, had 1.9 and 2.6 times higher odds of having their health insurance coverage turned by a specialist. **Additional Key Findings:** Those who reported an activity limitation had 2.1 times higher odds, those who were self-employed had 2.3 times higher odds and those who were not in the work force had 1.5 times higher odds of having their insurance rejected by a physician. **Conclusion:** NJ is one of the states that chose to expand Medicaid under the ACA. If Medicaid beneficiaries faced a high rate of insurance rejection in 2012 and if physician supply cannot meet the demand of increased Medicaid and Exchange enrollment over the next decade, policy makers must be aware of the challenges that may arise after ACA implementation on January 1, 2014 and prepare to find solutions for these challenges.

RESEARCH QUESTION

Last year in New Jersey, doctors told nearly **1 in every 7** adults...

"I do not accept your health insurance"

What are the characteristics of patients most likely to have their insurance rejected by a physician?

- Insurance type
- Socio-demographics
- Socioeconomics
- Health Status

HYPOTHESIS

Patients insured by Medicaid were more likely to be told by a doctor in the past 12 months that they will not accept their coverage compared to those insured by private insurance or Medicare.

BACKGROUND: CONTEXTUAL FACTORS

New Health Reform Law

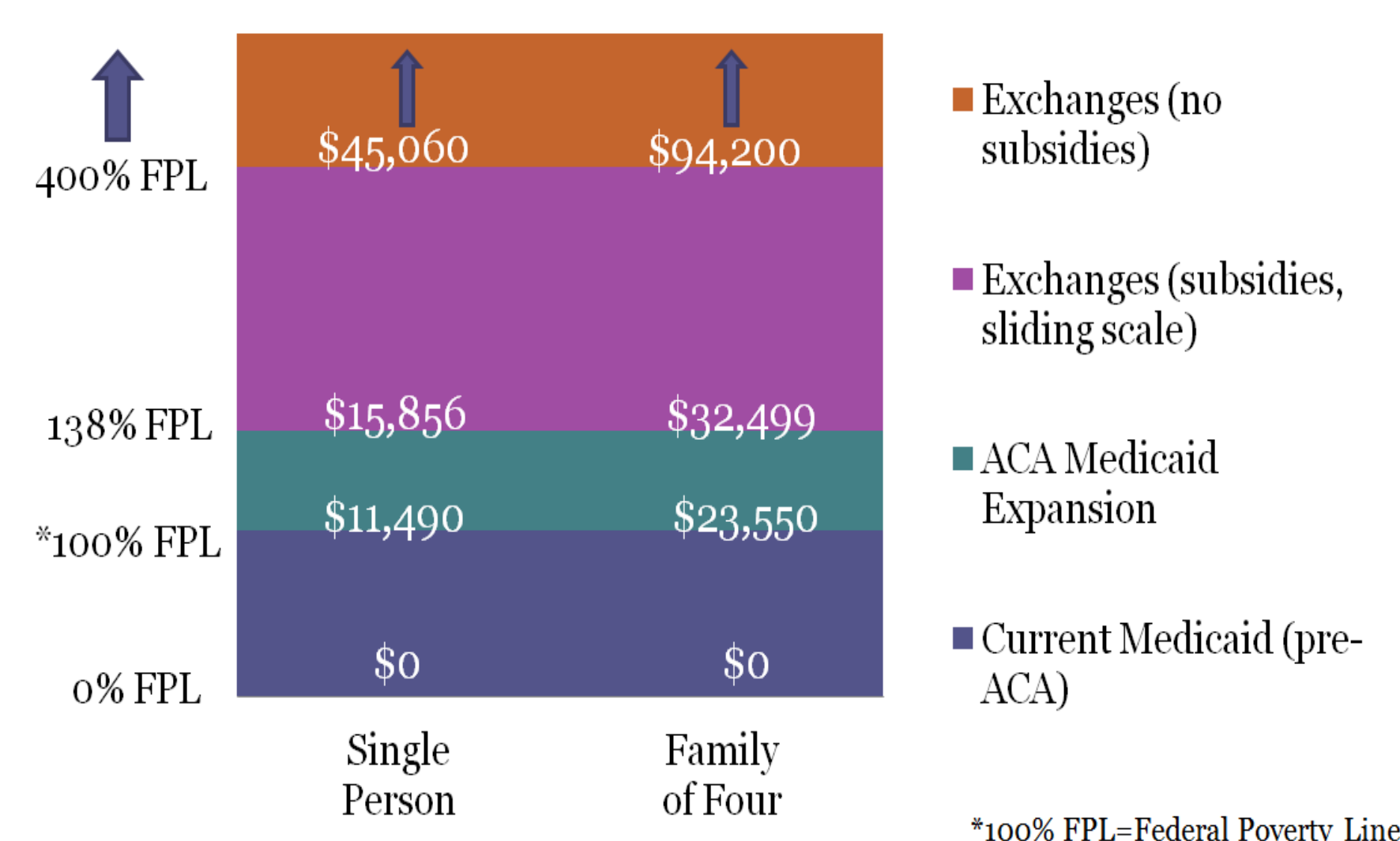
Patient Protection and Affordable Care Act (ACA)

- Health care reform signed into law March 2010
- Some provisions of the law have already taken effect
- Basic premise: insure more people**
- In 2014, most will be required to have coverage or pay a tax penalty known as the "Individual Mandate"
- ACA enrollment begins October 1, 2013 for coverage beginning January 1, 2014 (USDHHS, 2013)

Post-Reform Insurance Enrollment Estimates

Coverage Expansion Under the ACA:

What does this mean for a single person vs. a family of four?



Physician Supply: Will There Be Enough Doctors?

- New Jersey's supply of primary care physicians was about the same as the US supply, but in rural regions of New Jersey, supply of primary physicians was low compared to urban communities (Brownlee, 2007)
- Many newly insured (Medicaid and Exchanges)
- Estimated that by 2025 that doctor **shortage may range between 25,000- 45,000** (Carrier, 2011)
- In 2009-2010, the supply of generalist physicians per capita was **26% lower** than the supply of specialty physicians (NCHS, 2012)

Reimbursement Rates

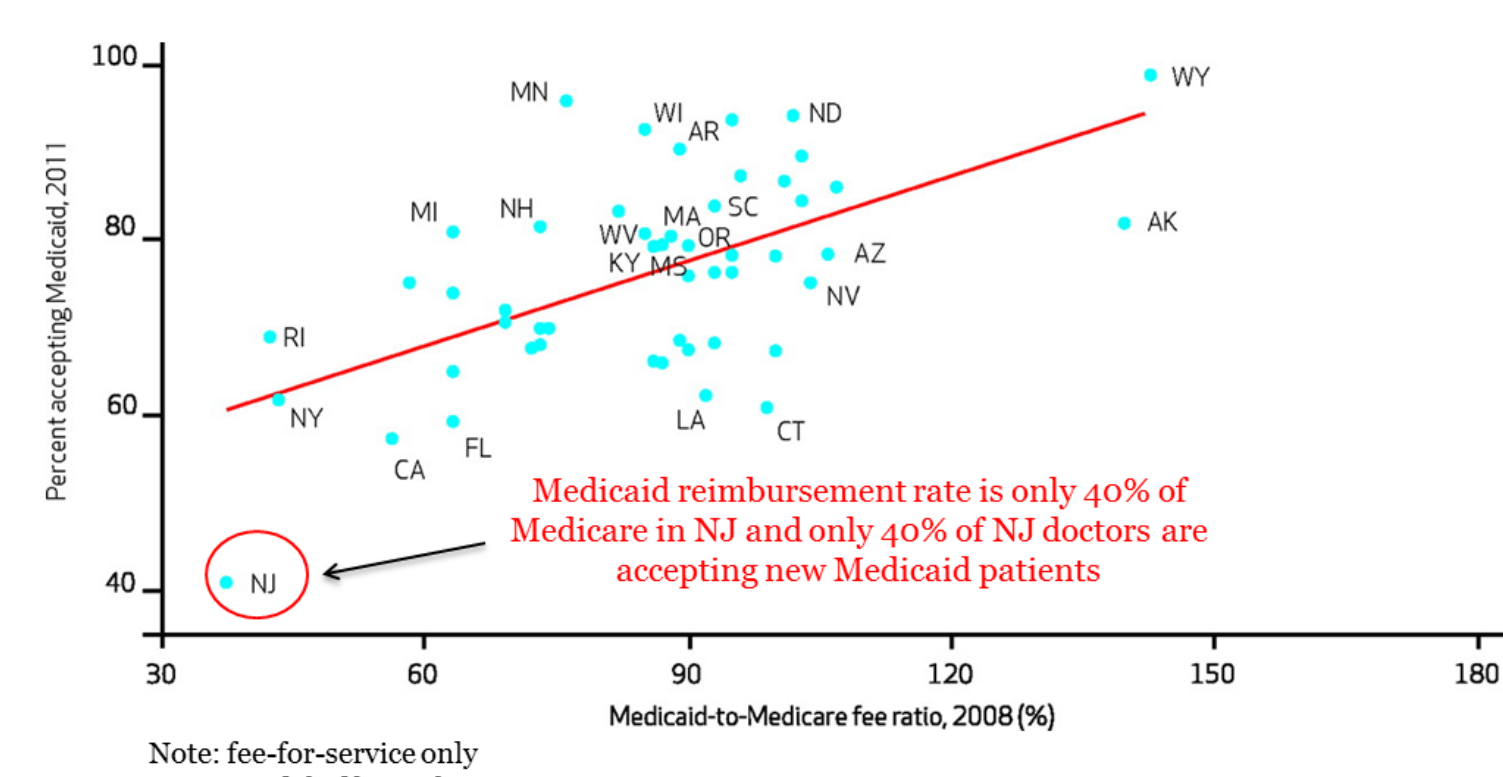
How do Reimbursement Rates Affect Physician Insurance Acceptance?

- Reimbursement is a common factor found in acceptability of new Medicaid patients (Cunningham, 2005)
- A study conducted by Zimmerman found that increasing Medicaid fees is a common strategy that policy makers use to aid in enrollee access to medical care (Zimmerman, 2004)

Some Physicians are Not Accepting New Medicaid Patients

- Nearly **one-third of physicians** said they **would not accept new Medicaid patients**
 - Reimbursement rates vary across states and health insurance type
- Higher reimbursement fees to physicians for Medicaid patients result in greater probability of physician acceptance of their insurance (Decker, 2012)

Percentage of US Office-Based Physicians Accepting New Medicaid Patients in 2011 and the Medicaid-to- Medicare Fee Ratio (Decker, 2012)



- Average Medicaid physician fees in 2012 varied substantially by state, ranging from 58% of national average Medicaid fees in Rhode Island, to 242% in Alaska.
- On average Medicaid physician fees were 66% of Medicare fees.** Medicaid fees were **more than 10% below the national Medicaid average** in California, Florida, Indiana, Michigan, Missouri, **New Jersey**, New York and Rhode Island (KFF, 2012)

METHODS

Data Source

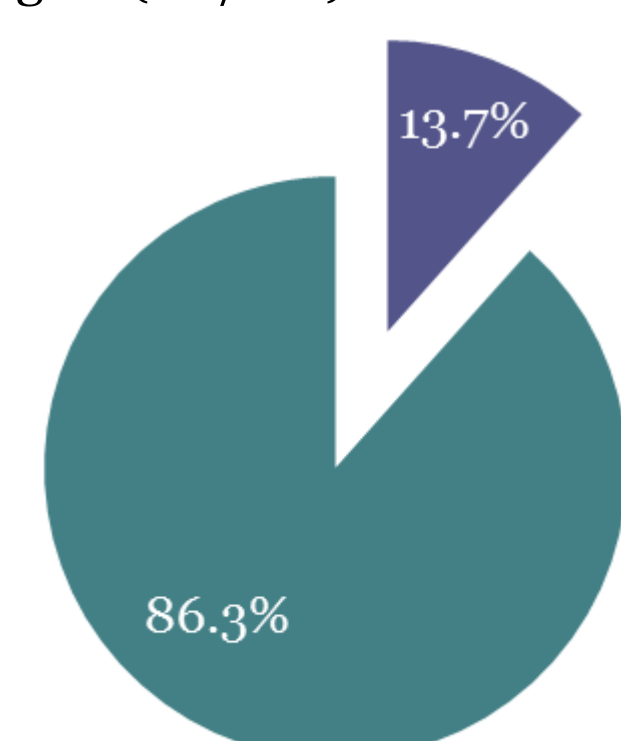
- 2012 Behavioral Risk Factor Surveillance System
- BRFSS core + new NJ health care access items developed by Rutgers CSHP researchers
- Cross-sectional national annual survey (CDC)
- Random digit-dialed telephone survey
- Landline + cell phones: NJ response rate = 45.2%**

Sample

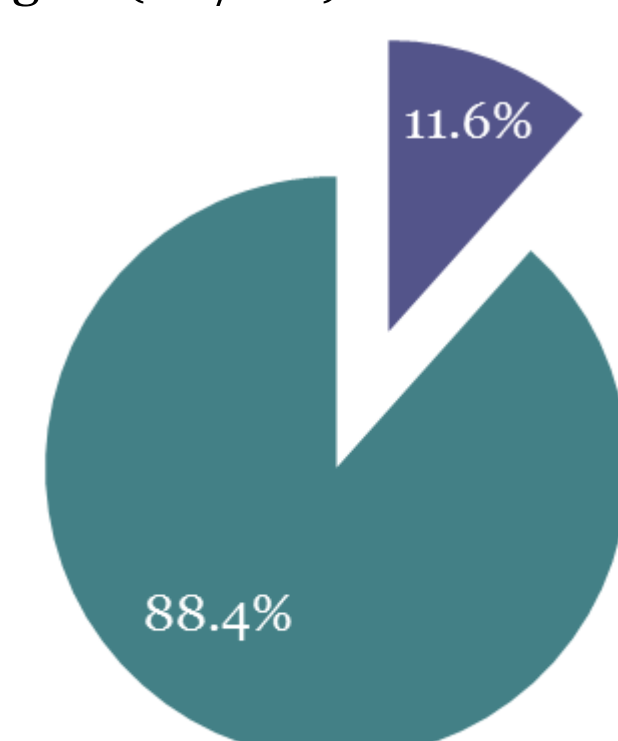
- NJ insured adults (N=3,533)
- Restricted to NJ adults who live in households
- 1/3 asked state-added healthcare access items
- Exclude those who did not answer all items in analysis
- Data weighted to enable state-wide estimates

OUTCOME: Insurance Rejection

"During the past 12 months, were you told by a **doctor's** office or clinic that they did not accept your healthcare coverage?" (No/Yes)



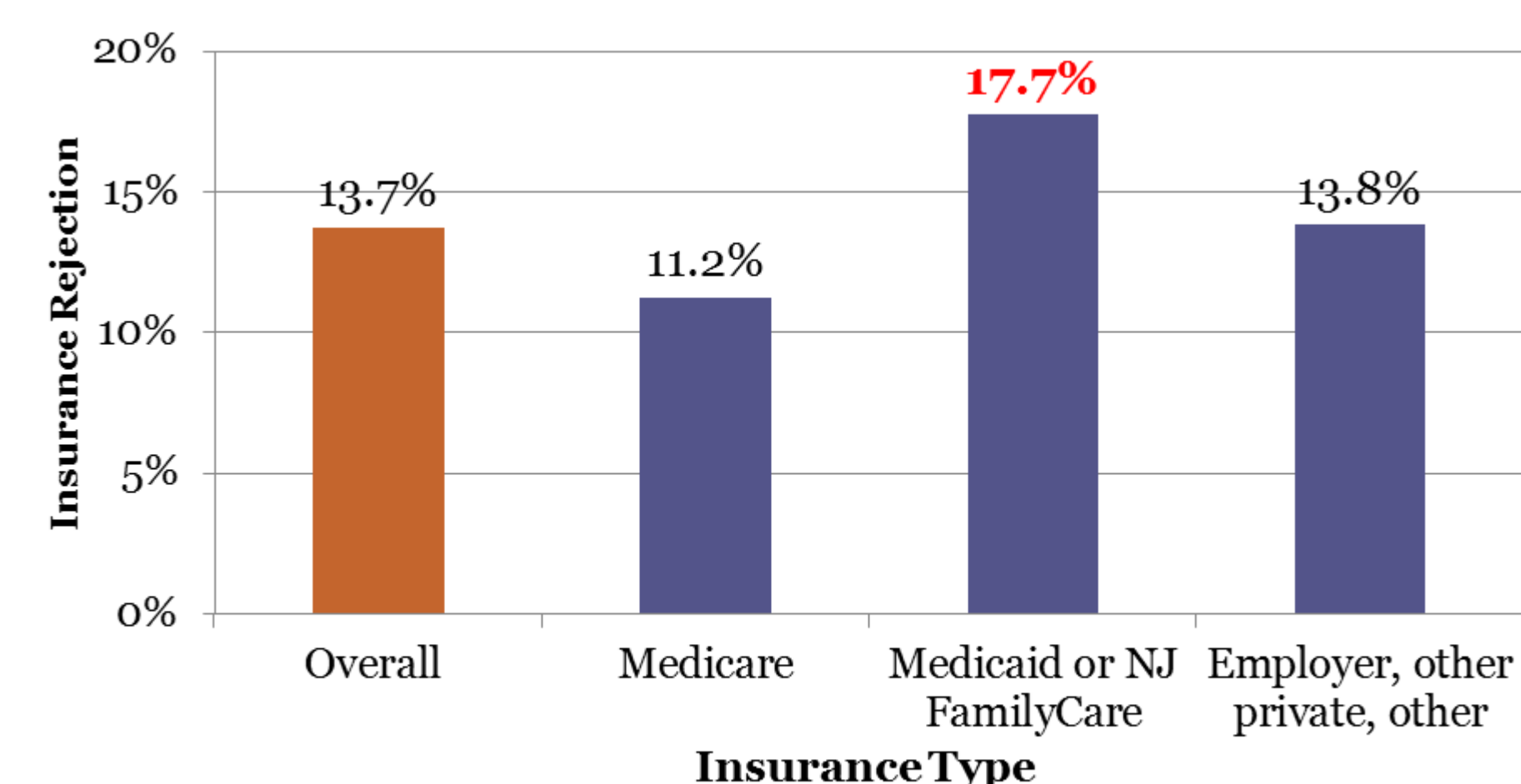
"During the past 12 months, were you told by a **specialist's** office or clinic that they did not accept your healthcare coverage?" (No/Yes)



RESULTS

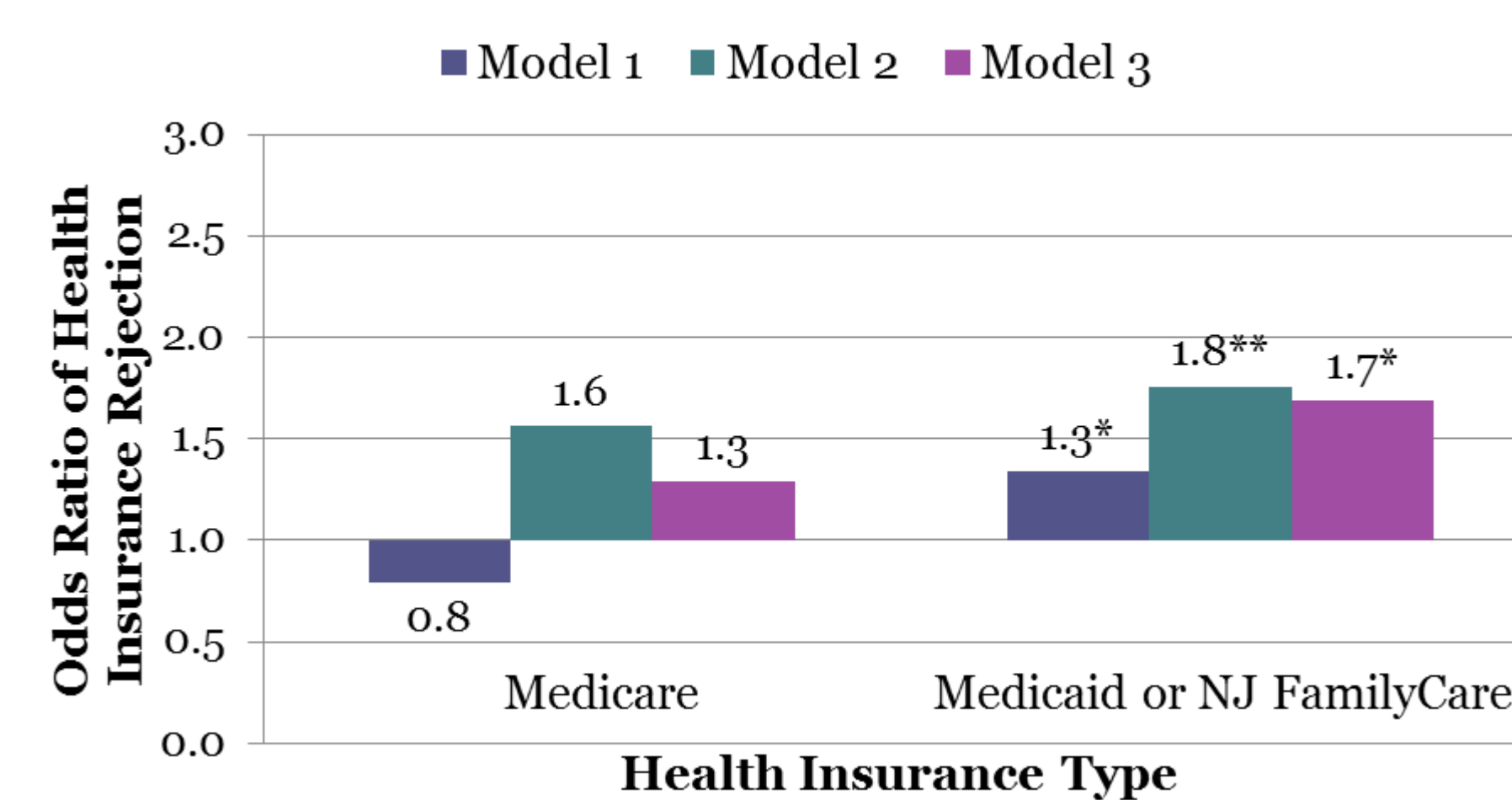
Bivariate Results: Primary Care Physician

Physician Rejection of Patient Insurance by Insurance Type

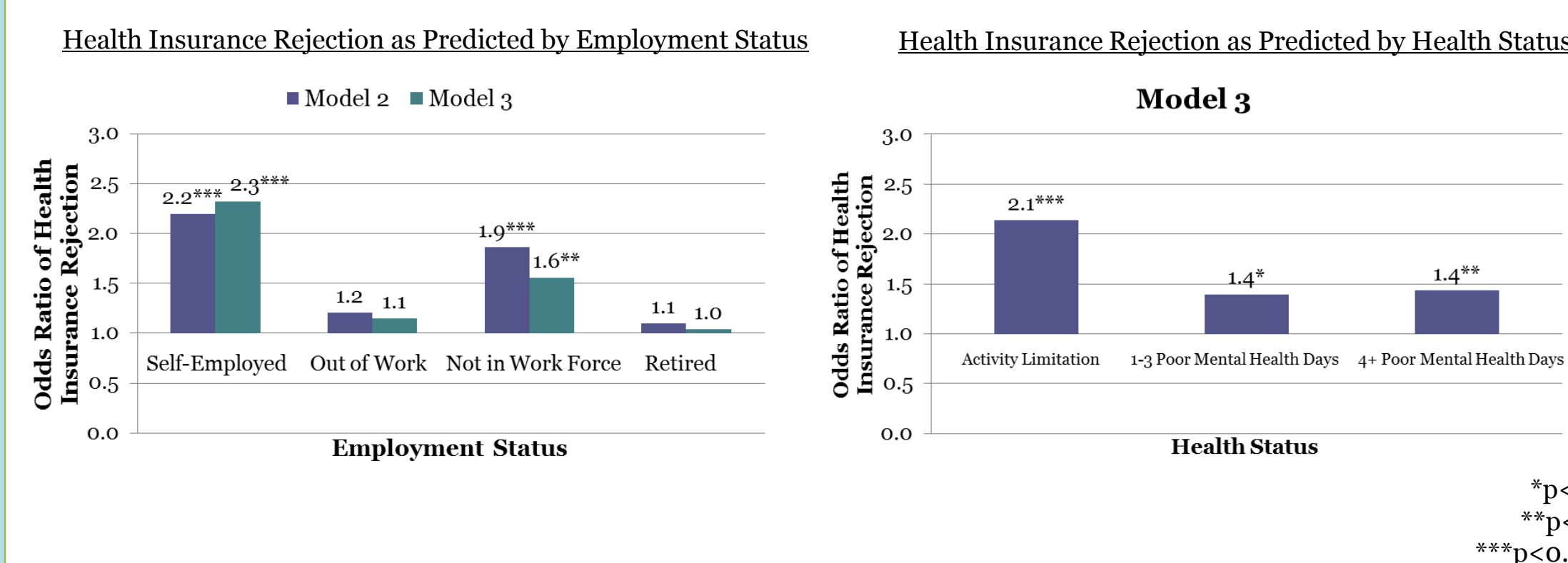


Regression Results: Primary Care Physician

Health Insurance Rejection as Predicted by Health Insurance Type

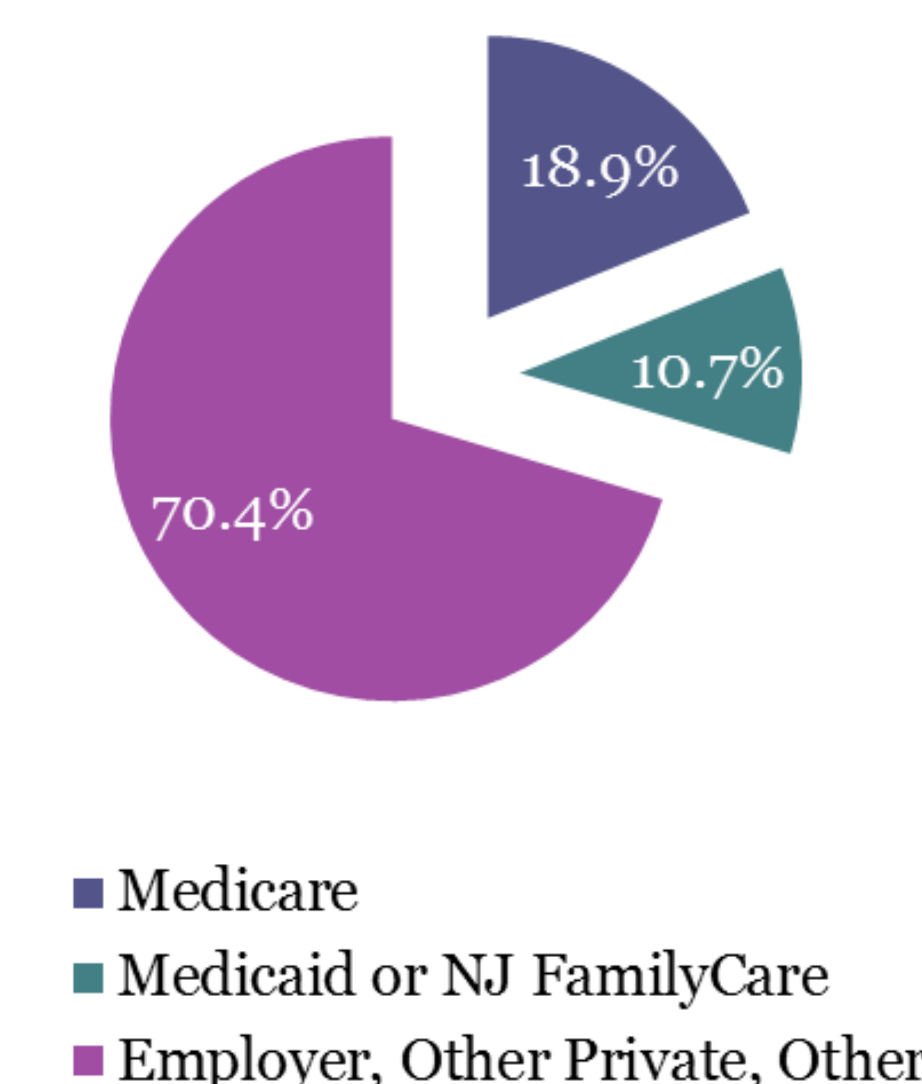


Other Key Findings: Primary Care Physician



KEY PREDICTOR: Health Insurance Type

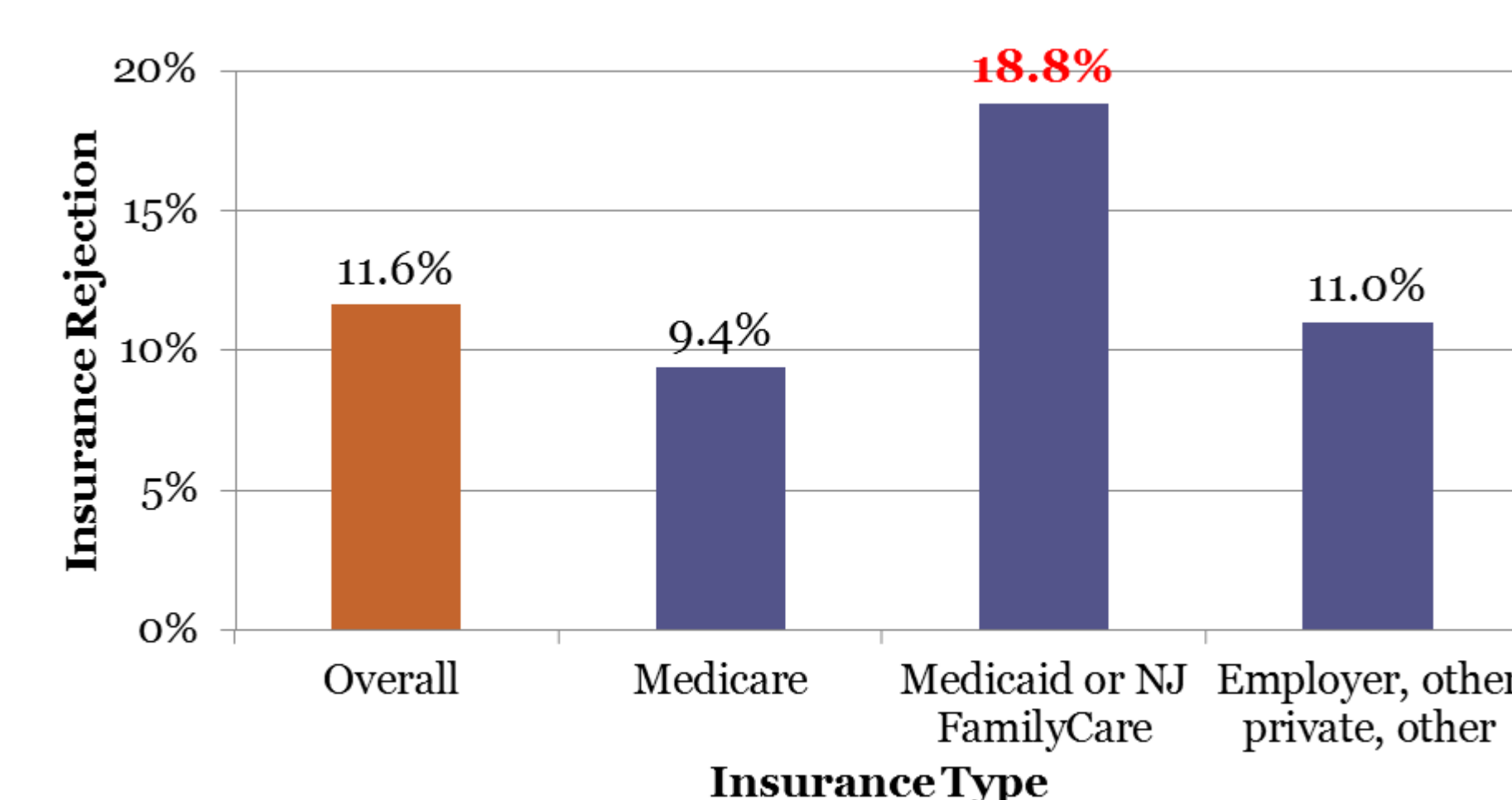
"Earlier you said you have health insurance coverage. Are you mainly covered by Medicare, Medicaid, NJ FamilyCare, insurance through a current or former job or other private insurance, or do you have coverage from some other source?"



RESULTS

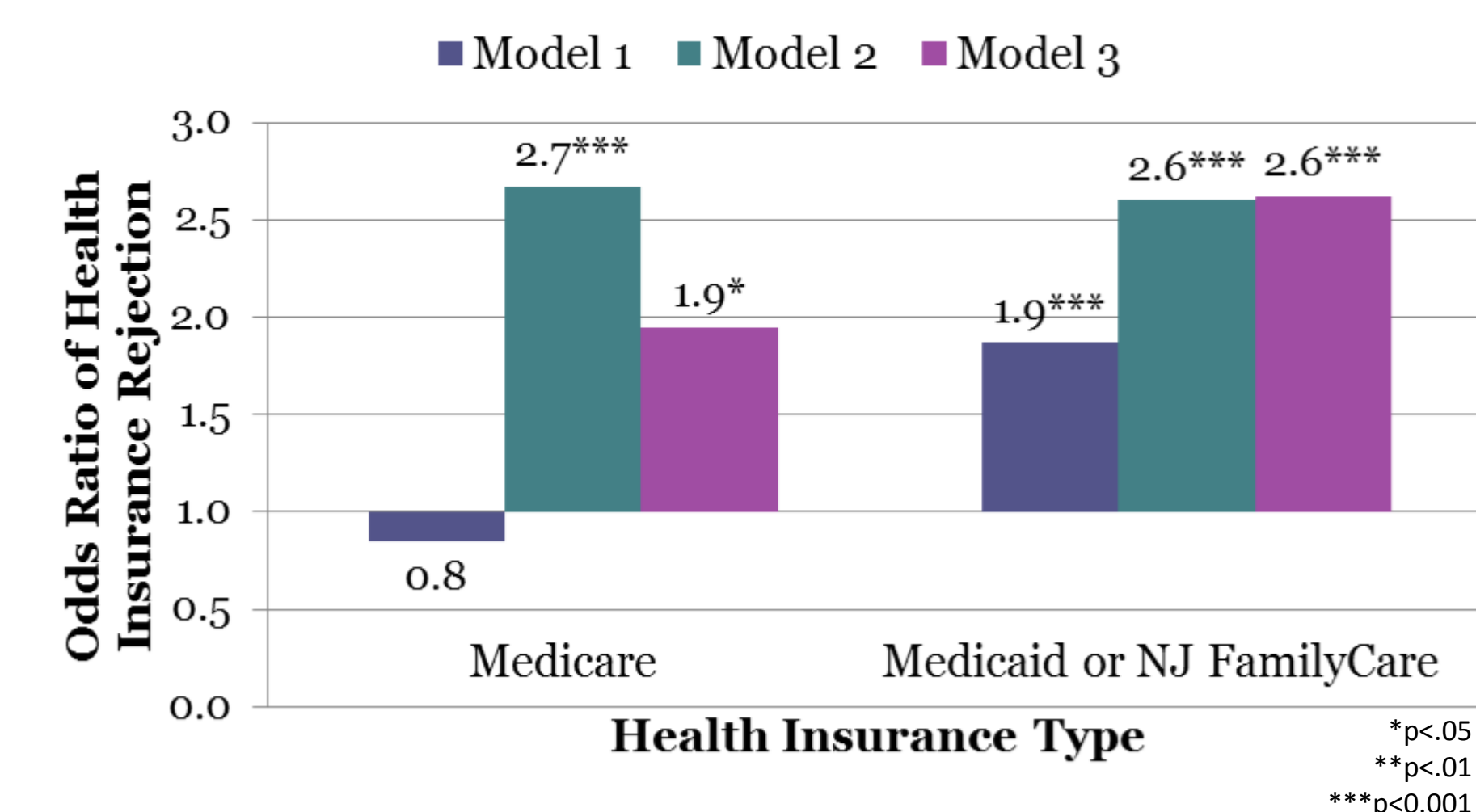
Bivariate Results: Specialist

Specialist Rejection of Patient Insurance by Insurance Type

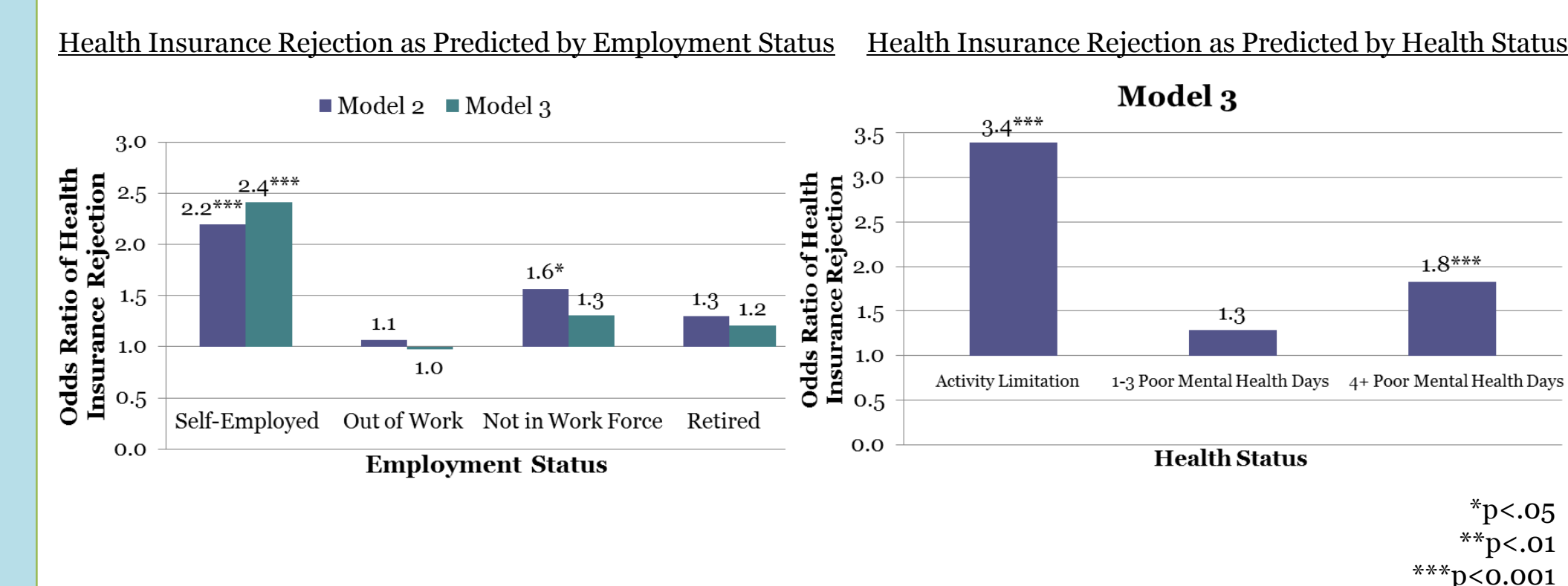


Regression Results: Specialist

Health Insurance Rejection as Predicted by Health Insurance Type



Other Key Findings: Specialist



IMPLICATIONS

ACA will also provide **increased** physician reimbursement rates for Medicaid beneficiaries (KFF, 2013)

- Improve Medicaid insurance acceptance level
- Increased reimbursement only through 2015

Insurance rejection may still be troublesome for:

- Current Medicaid enrollees
- Post 2015 Medicaid enrollees

Physician assistants, nurse practitioners help meet physician demand

STRENGTHS/LIMITATIONS

Strengths

- Random-digit dialing
- BRFSS offers a wide array of variables which may be related to health insurance rejection
- BRFSS is offered every year

Limitations

- Study may not be generalizable outside of New Jersey
- BRFSS questionnaire does not ask reason for visit when health insurance was turned down