

June 2011

MEDICAID AND CHIP

Most Physicians Serve Covered Children but Have Difficulty Referring Them for Specialty Care



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Why GAO Did This Study

Medicaid and the Children’s Health Insurance Program (CHIP)—two joint federal-state health care programs for certain low-income individuals—play a critical role in addressing the health care needs of children. The Children’s Health Insurance Program Reauthorization Act of 2009 required GAO to study children’s access to care under Medicaid and CHIP, including information on physicians’ willingness to serve children covered by Medicaid and CHIP.

GAO assessed (1) the extent to which physicians are enrolled and serving children in Medicaid and CHIP and accepting these and other children as new patients, and (2) the extent to which physicians experience difficulty referring children in Medicaid and CHIP for specialty care, as compared to privately insured children. GAO conducted a national survey of nonfederal primary and specialty care physicians who serve children, and asked about their enrollment in state Medicaid and CHIP programs, whether they served and accepted Medicaid and CHIP and privately insured children, and the extent to which they experienced difficulty referring children in Medicaid and CHIP and privately insured children to specialty care. GAO also interviewed officials with the Centers for Medicare & Medicaid Services (CMS), an agency within the Department of Health and Human Services (HHS) that oversees Medicaid and CHIP.

View GAO-11-624 or key components. For more information, contact Katherine Iritani, (202) 512-7114, iritanik@gao.gov.

MEDICAID AND CHIP

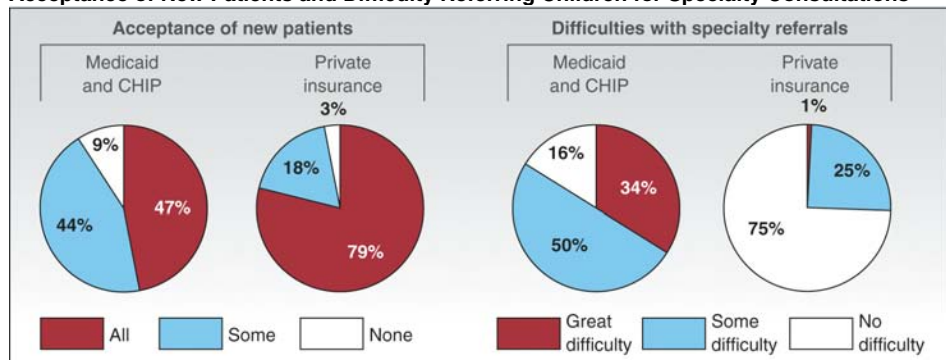
Most Physicians Serve Covered Children but Have Difficulty Referring Them for Specialty Care

What GAO Found

Most physicians are enrolled in Medicaid and CHIP and serving children covered by these programs. On the basis of its 2010 national survey of physicians, GAO estimates that more than three-quarters of primary and specialty care physicians are enrolled as Medicaid and CHIP providers and serving children in those programs. A larger share of primary care physicians (83 percent) are participating in the programs—enrolled as a provider and serving Medicaid and CHIP children—than specialty physicians (71 percent). Further, a larger share of rural primary care physicians (94 percent) are participating in the programs than urban primary care physicians (81 percent). Nationwide, physicians participating in Medicaid and CHIP are generally more willing to accept privately insured children as new patients than Medicaid and CHIP children. For example, about 79 percent are accepting all privately insured children as new patients, compared to about 47 percent for children in Medicaid and CHIP. Nonparticipating physicians—those not enrolled or not serving Medicaid and CHIP children—most commonly cite administrative issues such as low and delayed reimbursement and provider enrollment requirements as limiting their willingness to serve children in these programs.

Physicians experience much greater difficulty referring children in Medicaid and CHIP to specialty care, compared to privately insured children. On the basis of the physician survey, more than three times as many participating physicians—84 percent—experience difficulty referring Medicaid and CHIP children to specialty care as experience difficulty referring privately insured children—26 percent. For all children, physicians most frequently cited difficulty with specialty referrals for mental health, dermatology, and neurology.

Acceptance of New Patients and Difficulty Referring Children for Specialty Consultations



Source: GAO.

Note: Numbers may not sum to 100 percent because of rounding.

In its comments on a draft of this report, HHS stated that CMS is committed to improving physician participation and that this report will be of value as CMS works with the states to ensure beneficiary access to care.

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Abbreviations

AMA	American Medical Association
CHIP	Children's Health Insurance Program
CHIPRA	Children's Health Insurance Program Reauthorization Act of 2009
CMS	Centers for Medicare & Medicaid Services
EPSDT	Early and Periodic Screening, Diagnostic and Treatment
HHS	Department of Health and Human Services
MEPS	Medical Expenditure Panel Survey
PPACA	Patient Protection and Affordable Care Act

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United States Government Accountability Office
Washington, DC 20548

June 30, 2011

The Honorable Max Baucus
Chairman
The Honorable Orrin Hatch
Ranking Member
Committee on Finance
United States Senate

The Honorable Fred Upton
Chairman
The Honorable Henry A. Waxman
Ranking Member
Committee on Energy and Commerce
House of Representatives

Medicaid and the Children’s Health Insurance Program (CHIP)—two joint federal-state health care programs for certain low-income individuals—play a critical role in addressing the health care needs of children. In 2010, more than 42 million children received health care coverage through Medicaid or CHIP, and this number is expected to increase.¹ But simply having coverage does not ensure that a beneficiary can access physicians and needed services. Access to health care for children in Medicaid and CHIP is affected, in part, by the number of physicians who are participating—that is, who are not only enrolled in state Medicaid and CHIP programs, but also providing services to these children.

The Centers for Medicare & Medicaid Services (CMS), an agency within the Department of Health and Human Services (HHS), oversees state Medicaid and CHIP programs at the federal level, including monitoring children’s access to primary care and specialty care. Under broad federal requirements, states administer the day-to-day operations of their programs, including enrolling physicians, establishing provider payment rates, and paying for services provided to program beneficiaries. States generally provide Medicaid and CHIP services through two service delivery and financing models—fee-for-service and managed care. While

¹For example, the Congressional Budget Office reported that provisions to improve state outreach and enrollment of eligible children contained in the Children’s Health Insurance Program Reauthorization Act of 2009 may result in an increase in Medicaid and CHIP of about 6 million children in 2013.

physicians and other providers must enroll with states as Medicaid and CHIP providers to receive payment for services provided under these programs, enrollment does not require physicians to serve a specific number of program beneficiaries or accept all program beneficiaries seeking care.²

The Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) required that we study Medicaid- and CHIP-covered children's access to primary and specialty care, including information on providers' willingness to serve these children.³ In this report, we address

1. the extent to which physicians are enrolled as Medicaid and CHIP providers and serving children in these programs, and the extent to which physicians are accepting these and other children as new patients; and
2. the extent to which physicians experience difficulty referring children in Medicaid and CHIP for specialty care, as compared to privately insured children.

To answer our two research objectives, we conducted a national survey of physicians who serve children. We surveyed a nationally representative sample of physicians from each of three groups—specialty care physicians, primary care physicians in urban areas, and primary care physicians in rural areas—all of whom were practicing physicians in the United States who were office- or hospital-based and age 65 or younger, provided direct patient care to children (age 0-18), and were not federal

²Physicians who practice in certain settings, such as Federally Qualified Health Centers, may be required to serve uninsured patients and patients covered under Medicaid and CHIP. In addition, physicians practicing in a hospital subject to the Emergency Medical Treatment and Active Labor Act requirements may be required to serve patients regardless of insurance coverage. See generally 42 U.S.C. § 1395dd.

³Pub. L. No. 111-3, §402(d), 123 Stat. 8, 84.

employees.⁴ We received responses from 932 eligible physicians, and had a response rate of 35 percent. We performed a nonresponse bias analysis to determine whether any bias was introduced in the results due to the absence of responses from some members of the sample. We also performed additional analysis of the survey data to determine whether certain characteristics, such as age, gender, and the percentage of children served, influenced responses to our survey questions. We found that physicians' willingness to serve and accept children in Medicaid and CHIP was not influenced by these factors. Our survey methodology allowed us to generalize our results to the total population of physicians who serve children in the United States, and to four groups of physicians who serve children: primary care physicians, specialty care physicians, rural primary care physicians, and urban primary care physicians.⁵ The survey was administered from August 5, 2010, to October 31, 2010. All estimates are based on self-reported information from the survey respondents and have a margin of error of plus or minus 5 percent or less at the 95 percent confidence level, unless otherwise noted. (For more information on the scope and methodology of our survey, see app. I.) The survey included questions about physicians' enrollment in state Medicaid and CHIP programs, whether they serve and accept children (age 0-18) in Medicaid and CHIP as new patients, the share of their child patients that are covered by Medicaid and CHIP, whether they experience difficulty referring children to specialists, and factors that may affect their own willingness to participate in Medicaid and CHIP.⁶ We also reviewed related literature on

⁴The representative sample was taken from the American Medical Association's (AMA) Physician Masterfile, a comprehensive list of physicians and their characteristics widely used in physician research. For primary care physicians, we selected physicians with a primary specialty in adolescent medicine, family medicine, general medicine, internal medicine, obstetrics and gynecology, or pediatrics. Specialty care physicians included in our random sample were those with a primary specialty in allergy and immunology; dermatology; endocrinology; gastroenterology; general surgery or pediatric surgery; neurology; orthopedic surgery or sports medicine; ophthalmology; otolaryngology; otology; hematology or oncology; psychiatry; thoracic surgery; or urology. We designated primary care physicians as urban or rural using the most recently available rural-urban continuum codes provided by the U.S. Department of Agriculture. See app. I for more detail on our survey methodology.

⁵Throughout this report, references to Medicaid and CHIP apply to physician responses for one or both programs. Although some questions in our survey questionnaire asked physicians to respond for Medicaid and CHIP separately, or to respond based on delivery model (managed care and fee-for-service), in our analysis we aggregated responses to project results to the national level.

⁶We asked about children 18 years of age and younger because both Medicaid and CHIP cover children in this age range.

physician supply and participation in public programs, including Medicaid. In addition, we reviewed certain provisions of the Patient Protection and Affordable Care Act (PPACA) that may affect physicians' participation in the program, and interviewed officials from CMS and selected provider associations.

We conducted this performance audit from September 2009 through June 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Medicaid and CHIP are the nation's largest health care financing programs for low-income children, accounting for about \$79 billion in shared federal and state expenditures in 2009, the most recent year for which data are available.⁷ Medicaid is a federal-state program for certain categories of low-income children, families, and individuals. In fiscal year 2010, 34.4 million children had health coverage through Medicaid. CHIP is also a federal-state program and provides health care coverage to children 18 years of age and younger living in low-income families whose incomes exceed the eligibility requirements for Medicaid. In fiscal year 2010, 7.7 million children had health care coverage through CHIP.⁸

State Medicaid and CHIP programs are required to cover certain groups of individuals and offer a minimum set of services, including services provided by primary care and specialty care physicians, and services

⁷CMS estimates that Medicaid expenditures on children were \$68.4 billion in fiscal year 2009. See 2010 Actuarial Report on the Financial Outlook for Medicaid, downloaded from the CMS Web site at <http://www.cms.gov/ActuarialStudies/downloads/MedicaidReport2010.pdf>, on May 3, 2010. CMS estimates that CHIP expenditures were \$10.6 billion in fiscal year 2009. The CHIP expenditures include expenditures for some adults, because 11 states' programs covered certain adults in their CHIP programs.

⁸Data on the number of children enrolled in each program are from summary reports prepared by CMS from its Statistical Enrollment Data System. A summary of these reports was downloaded from the CMS Web site at <http://www.cms.gov/NationalCHIPPolicy/CHIPER/itemdetail.asp?filterType=none&filterByDID=0&sortByDID=2&sortOrder=ascending&itemID=CMS1244005&intNumPerPage=2000> on April 28, 2011.

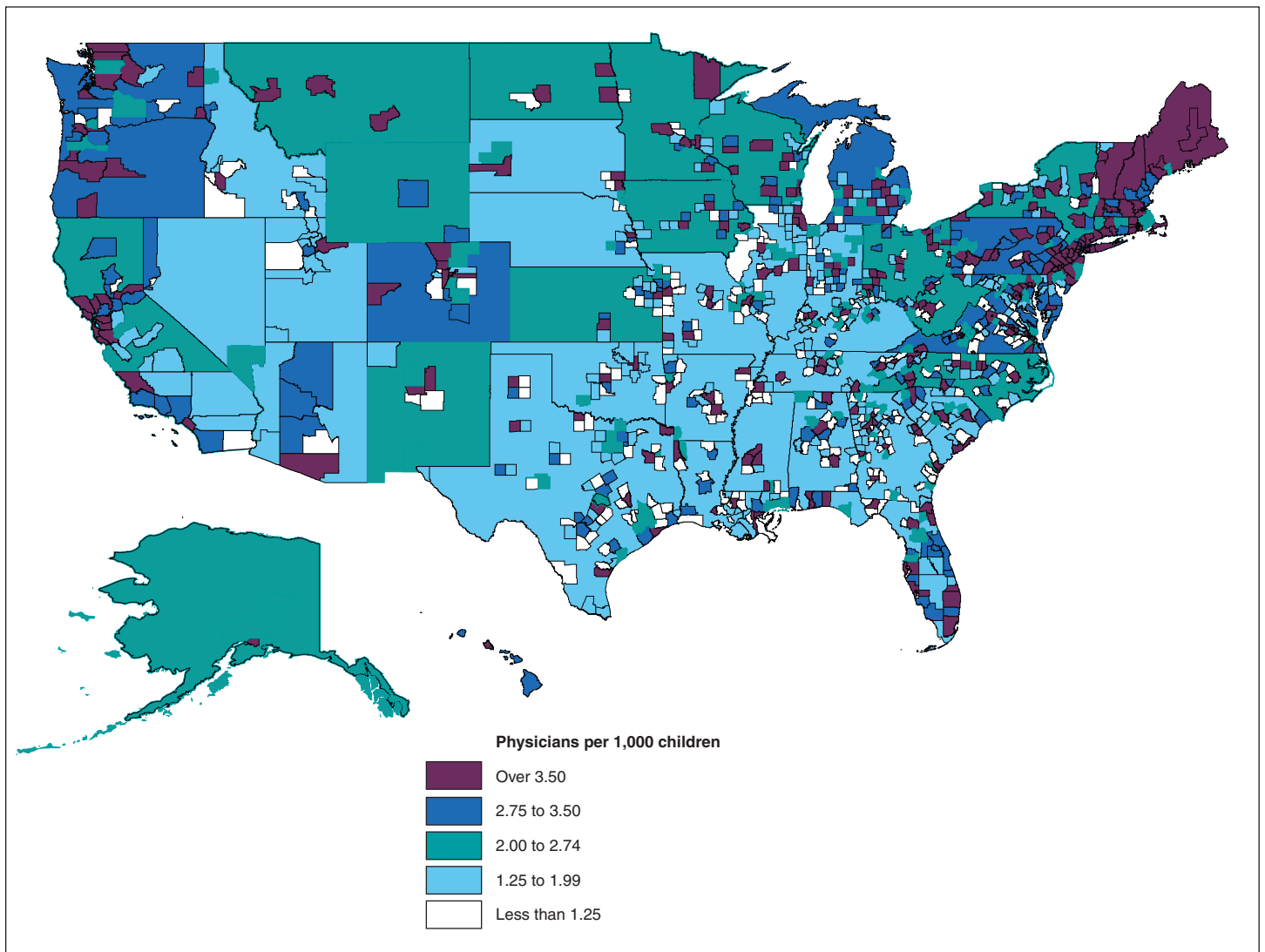
provided in hospitals, clinics, and other settings. States are also responsible for enrolling physicians as Medicaid and CHIP providers. For Medicaid programs, federal law establishes that state Medicaid payments to providers must be sufficient to enroll enough providers so that care and services are available to beneficiaries at least to the extent that they are available to the general population in the same geographic area.⁹ On May 6, 2011, CMS issued a proposed regulation regarding this requirement.¹⁰ The proposed regulation is intended to promote standardized and transparent methods for states to review and monitor Medicaid beneficiaries' access to covered services delivered under a fee-for-service delivery model. Under the proposed regulation, state monitoring of Medicaid beneficiaries' access is anticipated to be an ongoing and evolving process. The proposed regulation describes different approaches states may use to assess Medicaid beneficiaries' access to care, and identifies different actions states may take to address access problems. In addition, the proposed regulation includes a requirement for states to annually assess Medicaid beneficiaries' access to a different subset of covered services and then make the results of these assessments available to the public.¹¹ Figure 1 illustrates how the supply of primary care physicians varies among states and within states.

⁹This federal Medicaid requirement applies to fee-for-service delivery models. For managed care delivery models, state Medicaid programs and managed care organizations with whom they contract are subject to various requirements intended to ensure beneficiary access. See generally 42 U.S.C. § 1396u-2.

¹⁰Medicaid Program: Methods for Assuring Access to Covered Medicaid Services, 76 Fed. Reg. 26,342 (proposed May 6, 2011).

¹¹The proposed rule would permit states to determine the services that they will review each year, provided that each service is reviewed at least once every 5 years.

Figure 1: Primary Care Physicians per 1,000 Children 19 Years of Age and Younger, 2007



Sources: Health Resources and Services Administration and Census Bureau.

Note: The county-level ratios presented in this figure are based on the number of U.S. physicians age 65 and younger with a primary specialty in general practice, family medicine, internal medicine, pediatrics, obstetrics-gynecology, general preventive medicine, or public health, and the number of children age 19 and under. For this analysis, we used 0-19 years as the age range for children because this is the range included in Census Bureau data. Data from 2007 were the most recent available.

Like all children, children in Medicaid and CHIP depend on physicians and other health care providers for regular health screenings to monitor their health, development, and growth. In addition to primary health care needs, these screenings are important in identifying conditions that may warrant specialty care and services. Medicaid programs are required to provide regular health screenings, under the benefit known as Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services, for eligible children.¹² We and others have reported, however, that many children in Medicaid and CHIP are not receiving well-child checkups, all required health screening services, or needed specialty services. For example:

- In August 2009, we reported that, on the basis of parents' reports in the Medical Expenditure Panel Survey (MEPS), about 40 percent of children in Medicaid and CHIP had not had a well-child checkup over a 2-year period.¹³
- In May 2010, HHS's Office of Inspector General reported that in nine states, three of four children in Medicaid did not receive all required covered health screening services.¹⁴
- In April 2011, on the basis of MEPS, we reported that for 12 percent of children in Medicaid and CHIP 17 years of age and younger who needed health care services, such as tests or treatments, their families had difficulties accessing those services. In addition, an estimated 24 percent of children in Medicaid and CHIP 17 years of age and

¹²See 42 U.S.C. §§ 1396a(a)(10), 1396d(a)(4)(B), 1396d(r). Under federal law, the EPSDT benefit generally entitles children in Medicaid to receive coverage of periodic screening services—often termed well-child checkups—that include a comprehensive health and developmental history, a comprehensive physical examination, appropriate immunizations, laboratory tests, and health education. Under the EPSDT benefit, children also must receive coverage of treatment and other services necessary to correct or ameliorate health conditions discovered through well-child checkups. Certain CHIP programs must also provide EPSDT services.

¹³For our 2009 report, we examined national surveys—MEPS and the National Health and Nutrition Examination Survey—conducted by HHS from 2003 through 2006. The surveys included information from parents, or other adults in the household about the receipt of well-child checkups for children in Medicaid and CHIP. GAO, *Medicaid Preventive Services: Concerted Efforts Needed to Ensure Beneficiaries Receive Services*, GAO-09-578 (Washington, D.C.: Aug. 14, 2009). See Related GAO Products at the end of this report.

¹⁴HHS, *Most Medicaid Children in Nine States Are Not Receiving All Required Preventive Screening Services*, HHS OEI-5-08-00520 (Washington, D.C.: May 2010).

younger who needed specialists had problems accessing specialty services.¹⁵

We also reported, in April 2011, that monitoring access to specialty care for children in Medicaid and CHIP was important because the National Survey of Children's Health—which is based on responses from parents or guardians—showed that these children had problems accessing needed services. We also found that the required state reports submitted to CMS regarding services provided to children in Medicaid lacked detail. For example, the reports do not indicate whether children referred to providers for treatment actually receive the services they need. We recommended that the Administrator of CMS work with states to identify additional improvements that could be made to the annual reports that states are required to submit to CMS, including options for capturing information on children's receipt of the services for which they are referred. CMS agreed with our recommendations.

Most Physicians Are Enrolled and Serving Children in Medicaid and CHIP, but Are Generally More Willing to Accept Privately Insured Children as New Patients

On the basis of our survey of physicians, we estimate that nationally more than three-quarters of primary and specialty care physicians are enrolled as Medicaid and CHIP providers and serving children covered by these programs. These participating physicians are generally more willing to accept privately insured children as new patients than children in Medicaid and CHIP. In addition, the percentage of physicians accepting children in Medicaid and CHIP is similar to the percentage of physicians accepting uninsured children. Participating physicians do not appear to show a preference when scheduling appointments for new patients, as the reported wait times for new appointments are generally the same for privately insured children and children in Medicaid and CHIP. We also found that for most participating physicians, children in Medicaid and CHIP represent less than 20 percent of the children they serve. Physicians not enrolled or not serving children in these programs often cited administrative issues related to reimbursement and provider enrollment requirements as factors limiting their willingness to serve these children.

¹⁵For our April 2011 report, we analyzed and reported on available data from the 2007 MEPS, administered by HHS's Agency for Healthcare Research and Quality. For children in Medicaid and CHIP 17 years of age and younger, we analyzed MEPS survey questions about whether the family reported having a problem accessing services or specialists. GAO, *Medicaid and CHIP: Reports for Monitoring Children's Health Care Services Need Improvement*, [GAO-11-293R](#) (Washington D.C.: Apr. 5, 2011).

More Than Three-quarters of Physicians Are Enrolled and Serving Children in Medicaid and CHIP

On the basis of physicians' responses to our survey, we estimate that nationally 78 percent of physicians are enrolled as Medicaid and CHIP providers and serving children in these programs. A larger share of primary care physicians than specialty care physicians are participating in Medicaid and CHIP—that is, enrolled and serving children in Medicaid and CHIP. Among primary care physicians, participation in Medicaid and CHIP is higher in rural areas than in urban areas. Overall, the proportion of physicians participating in Medicaid and CHIP ranged from a low of 71 percent for specialty care physicians to a high of 94 percent for primary care physicians in rural areas. (See table 1.)

Table 1: Physician Participation in Medicaid and CHIP, by Physician Type

Physician type	Percentage participating in Medicaid and CHIP	Percentage not participating in Medicaid and CHIP	Total
Primary care physician (nationally)	83%	17%	100%
Urban primary care physician	81	19	100
Rural primary care physician	94	6	100
Specialty care physician (nationally)	71	29	100
All physicians	78%	22%	100%

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Physicians who participate in Medicaid and CHIP do not appear to show a preference for a particular delivery model. In areas where both managed care and fee-for-service delivery models exist for these programs, 78 percent of participating physicians serve Medicaid and CHIP children in both delivery models.¹⁶ Among participating physicians, 10 percent only serve children under the fee-for-service model, and 8 percent only serve children in the managed care model. (For additional data on physicians' participation in Medicaid and CHIP, including estimates of the percentage of participating physicians serving children in Medicaid and CHIP by

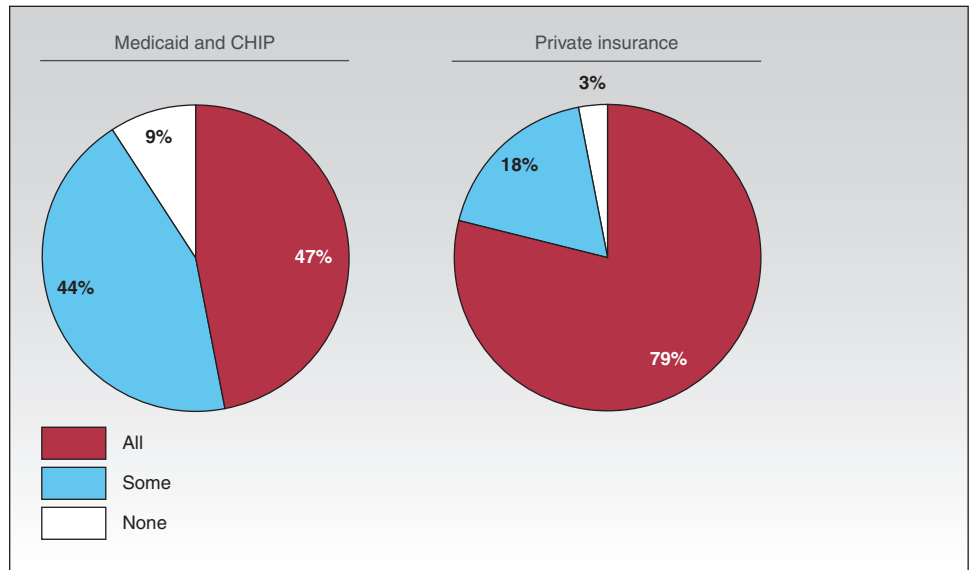
¹⁶Under a fee-for-service model, states pay providers for each covered service for which the providers bill the state. Under a managed care model, states contract with managed care plans, such as health maintenance organizations, to provide or arrange for medical services, and prospectively pay the plans a fixed monthly fee per enrollee.

delivery model, and the lower and upper bounds of all estimates on physician participation, see app. II, tables 5-8.)

Physicians Participating in Medicaid and CHIP Are Generally More Willing to Accept Privately Insured Children as New Patients Than Children in Medicaid and CHIP

Although most participating physicians are accepting children in Medicaid and CHIP as new patients, they are generally more willing to accept privately insured children as new patients. For example, about 8 of 10 participating physicians are accepting all privately insured children, compared to less than 5 of 10 accepting all children enrolled in Medicaid and CHIP. About 1 of 10 participating physicians are not accepting any children in Medicaid and CHIP as new patients, compared to about 1 of 30 who are not accepting any privately insured children as new patients. (See fig. 2.) Participating physicians were generally more willing to accept privately insured children than Medicaid and CHIP children in each of the physician types we analyzed: primary care physicians, specialty care physicians, and primary care physicians in urban and rural areas.

Figure 2: Acceptance of New Patients (Age 0-18) among Physicians Participating in Medicaid and CHIP, by Child's Insurance Type



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Numbers may not sum to 100 percent because of rounding.

The differences between physician responses for children covered by Medicaid and CHIP and for privately insured children are statistically significant.

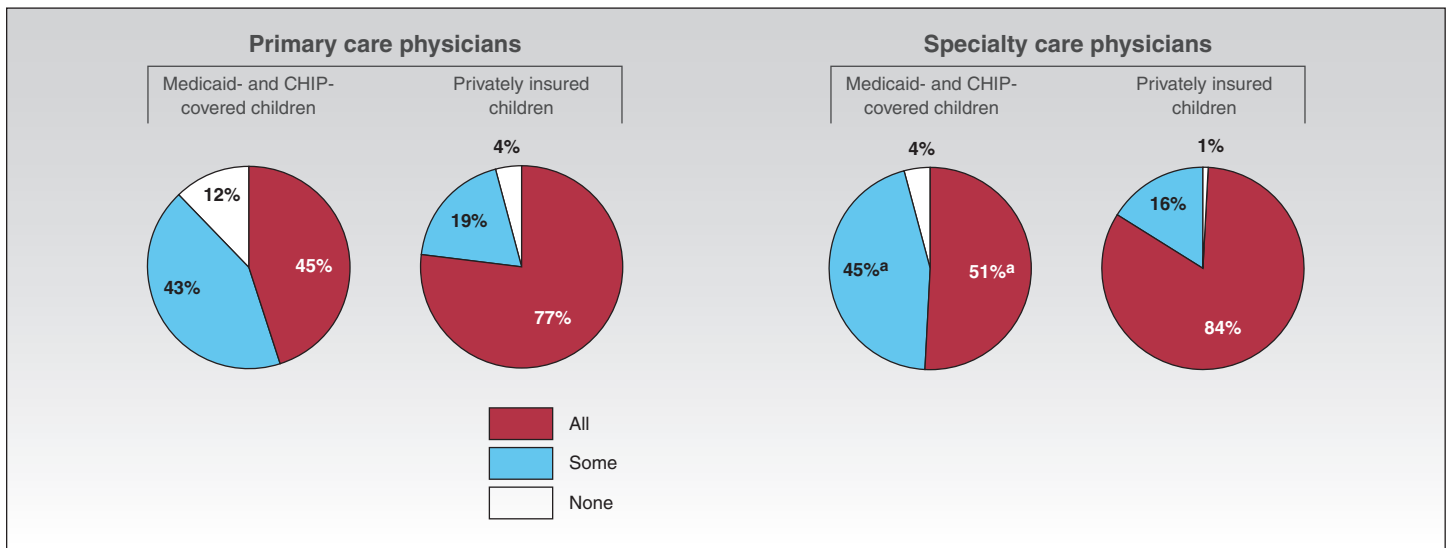
Primary and Specialty Care Physicians

Both primary care physicians and specialty care physicians are more willing to accept privately insured children as new patients than children in Medicaid and CHIP. (See fig. 3.) For example, for both primary care physicians and specialty care physicians the percentage of participating physicians who accept all privately insured children as new patients is about 30 percent higher than the percentage who accept all children in Medicaid and CHIP.¹⁷ (For additional data on acceptance of new patients

¹⁷Differences by child's insurance type (i.e., those enrolled in Medicaid and CHIP, and those with private insurance) are statistically significant within each physician group (primary care physicians and specialty care physicians), with one exception: the difference between the percentage of specialty care physicians accepting no children in Medicaid and CHIP (4 percent) and the percentage accepting no privately insured children (1 percent) is not statistically significant.

by child's insurance and physician type, including estimates of physicians' acceptance of uninsured children, and the lower and upper bounds of all estimates, see app. II, tables 9 and 10.)

Figure 3: Comparison of Participating Primary Care and Specialty Care Physicians' Acceptance of New Patients (Age 0-18), by Child's Insurance Type



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Numbers may not sum to 100 percent because of rounding.

^aThe confidence interval for the estimate is plus or minus 7 percent at the 95 percent confidence level.

Similarly, a March 2011 report found that the percentage of primary care physicians who were accepting all or most Medicaid patients—adults and children—was considerably lower than the percentage accepting all or most privately insured patients.¹⁸ This study also found that the relative supply of primary care physicians did not affect physician willingness to accept new Medicaid patients. Specifically, primary care physicians in

¹⁸Peter Cunningham, *State Variation in Primary Care Physician Supply: Implications for Health Reform Medicaid Expansions*, (Washington, D.C.: Center for Studying Health System Change, March 2011). Primary care physicians were those that specialized in general internal medicine, family practice, or general pediatrics.

Physicians in Rural and Urban Areas

states with fewer primary care physicians per capita were as willing to accept new Medicaid patients as primary care physicians in states with more primary care physicians per capita.¹⁹

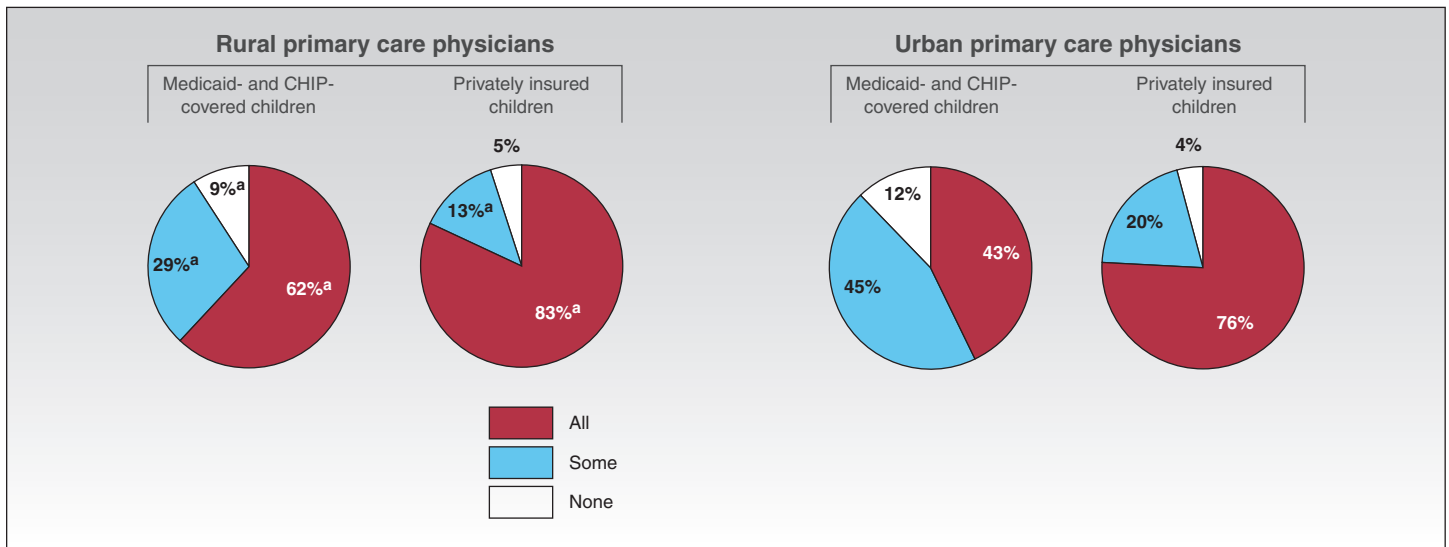
As illustrated in figure 4, primary care physicians in urban and rural areas are more willing to accept privately insured children as new patients than children in Medicaid and CHIP; however, rural primary care physicians are more willing than urban primary care physicians to accept children in Medicaid and CHIP as new patients. In rural areas, the percentage of participating primary care physicians who will accept all privately insured children as new patients is about 20 percent higher than the share willing to accept all children in Medicaid and CHIP. In urban areas, the difference is about 30 percent.²⁰ Further, the percentage of primary care physicians in rural areas who are willing to accept all children in Medicaid and CHIP as new patients (62 percent) is much higher than the percentage in urban areas (43 percent).²¹ (For additional data on acceptance of new patients by child's insurance and primary care physician's geographic location, including estimates of physician acceptance of uninsured children, the lower and upper bounds of all estimates, and information on statistically significant differences, see app. II, table 11.)

¹⁹The study compared Medicaid acceptance rates among states after classifying states into three groups based on the ratio of primary care physicians to the nonelderly U.S. population in 2008. States with primary care physician ratios of less than 11.5 physicians per 10,000 nonelderly people were classified as having a low number of primary care physicians; states with a ratio of 11.5 to 15 per 10,000 were classified as having a medium number; and states with a ratio of more than 15 per 10,000 were classified as having a high number.

²⁰This difference is statistically significant.

²¹This difference is statistically significant.

Figure 4: Comparison of Participating Rural and Urban Primary Care Physicians' Acceptance of New Patients (Age 0-18), by Child's Insurance Type



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Numbers may not sum to 100 percent because of rounding.

^aThe confidence interval for the estimate is between plus or minus 6 and plus or minus 10 percent at the 95 percent confidence level.

The percentage of physicians accepting uninsured children as new patients is similar to the percentage accepting children in Medicaid and CHIP. For example, 55 percent of all participating physicians accept all uninsured children as new patients, and 9 percent do not accept children without insurance, compared to 47 percent and 9 percent, respectively, for children in Medicaid and CHIP. (See app. II, tables 9-11.) Other research has found that physicians' willingness to accept patients enrolled in

Medicaid and uninsured patients is lower than willingness to accept privately insured patients.²²

When accepting new Medicaid and CHIP patients, physicians who participate in Medicaid and CHIP do not appear to show a preference for children in a fee-for-service or managed care delivery model. In areas where both delivery models exist for these programs, 69 percent of participating physicians accept children in Medicaid and CHIP under both fee-for-service and managed care. The percentage of physicians who only accept these children under one type of delivery model is about the same for each delivery model—7 percent only accept Medicaid and CHIP children in a managed care delivery model, and 10 percent only accept these children in a program with a fee-for-service delivery model. (See app. II, table 12, for additional information regarding physician acceptance of children in Medicaid and CHIP by delivery model.)

Participating physicians do not appear to have a preference for, or to give priority to, privately insured children when scheduling appointments for new patients. Nationally, physicians cited wait times for new patient appointments as largely the same for children in Medicaid and CHIP and privately insured children. For example, the most common wait time for a new appointment cited was less than 48 hours for both children in Medicaid and CHIP and privately insured children. Further, for both groups of children, more than half of the participating physicians could schedule a nonurgent visit in 6 days or fewer.

Wait times for children in Medicaid and CHIP and privately insured children were similar for primary care physicians (national, urban, and rural) and specialty care physicians. For primary care physicians overall and those in urban and rural locations, more than half of participating physicians indicated that wait times are less than 1 week for children seeking new appointments, regardless of insurance coverage of the child. For specialty care physicians, more than half of physicians indicated that wait times for new appointments are 1 week or more for children with private insurance, as well as for children covered by Medicaid and CHIP. (See app. II, tables 13 through 15, for data on wait times by physician type

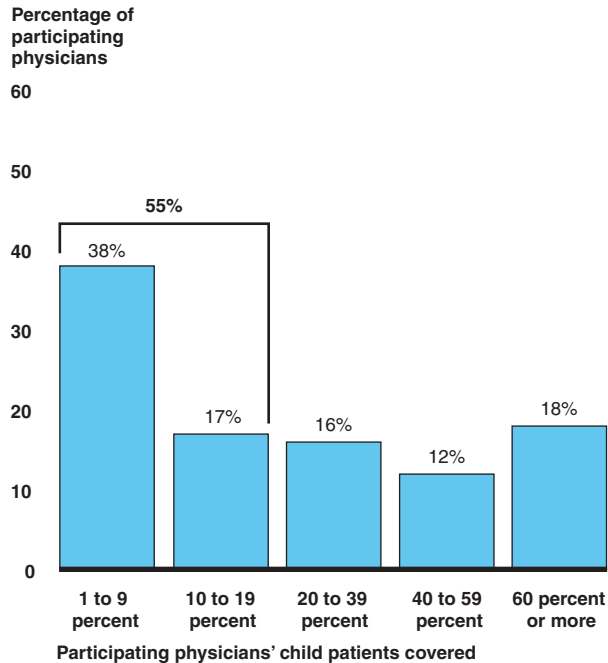
²²For example, 57 percent of physicians in California reported accepting new Medicaid patients and 46 percent reporting accepting new uninsured patients. In contrast, 90 percent reported accepting privately insured patients. A. B. Bindman, P. W. Chu, and K. Grumbach, *Physician Participation in Medi-Cal, 2008* (Oakland: California HealthCare Foundation, July 2010).

and geographic location of primary care physicians.) A June 2011 report on children's access to specialty services found that wait times in one large urban county differed for children in Medicaid and CHIP as compared to privately insured children. Using a methodology that entailed researchers calling clinics in Cook County, Illinois, and posing as mothers of children with Medicaid or CHIP coverage, and, in separate calls, as mothers of children with private insurance, the study found that among the clinics that accepted both Medicaid and CHIP and private insurance, the average wait time for children covered by Medicaid and CHIP was 22 days longer than that for children with private insurance.²³

Children in Medicaid and CHIP represent a relatively small share of most participating physicians' child patients. Although the percentage of children in Medicaid and CHIP served by participating physicians varies, for more than half (55 percent) of all participating physicians, children in Medicaid and CHIP represent less than 20 percent of the children they serve. The most common physician response was that children in Medicaid and CHIP represent less than 10 percent of the children they serve. The second most common response was that children in Medicaid and CHIP represent 60 percent or more of the children they serve. (See fig. 5.)

²³Between January and May 2010, researchers called a random sample of clinics representing eight specialties in Cook County, Illinois, which has a high proportion of specialists. Researchers called 273 clinics posing as mothers of children with common health conditions requiring outpatient specialty care. Two calls, separated by 1 month, were placed to each clinic by the same person using a standardized clinical script that differed by insurance status of the patient. See J. Bisgaier, K. V. Rhodes, "Auditing Access to Specialty Care for Children with Public Insurance," *The New England Journal of Medicine*, vol. 364, no. 24 (June 16, 2011), 2324-2333, <http://healthpolicyandreform.nejm.org/?p=14707> (accessed on June 16, 2011).

Figure 5: Percentage of Child Patients Covered by Medicaid and CHIP, among Participating Physicians



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were a primary care or specialty care physician.

Numbers may not sum to 100 percent because of rounding.

The share of participating physicians' child patients that are in Medicaid and CHIP was similar for primary care physicians, specialty care physicians, and urban primary care physicians. For the majority of participating physicians in each of these groups, children in Medicaid and CHIP accounted for less than 20 percent of the children they served. In contrast, for the majority of rural primary care physicians, these children accounted for 20 percent or more of all the children they served. (See app. II, tables 16 through 19, for data on the patient mix of participating physicians.) Our findings are similar to those from recent research in California, which found that for the majority of the physicians participating in the state's Medicaid program—primary care, specialty

care, and urban as well as rural physicians—adults and children enrolled in Medicaid accounted for 20 percent or less of their patients.²⁴

Nonparticipating Physicians Largely Cited Administrative Issues as Limiting Their Own Willingness to Serve Children in Medicaid and CHIP

Physicians not participating in the programs—that is, those not enrolled or not serving children in Medicaid and CHIP—often cited certain administrative issues related to reimbursement and enrolling as a provider as factors that limit their own willingness to serve children enrolled in these programs. Specifically, of 13 factors that physicians could identify on our survey as limiting their own willingness to serve children in Medicaid and CHIP, nonparticipating physicians most frequently identified 5 factors.²⁵ For physicians not participating in Medicaid and CHIP, we estimate that nationally

1. 95 percent are influenced by low reimbursement,
2. 87 percent are influenced by burdens associated with billing,
3. 85 percent are influenced by delayed reimbursement,²⁶ and
4. 85 percent are influenced by burdens associated with enrolling and participating.²⁷
5. 78 percent are influenced by difficulty referring patients to other providers.²⁸

²⁴That study found differences between the different types of primary care physicians. For example, Medicaid beneficiaries make up at least 30 percent of child patients for one-half of pediatricians but for only one-fifth of family medicine physicians. Bindman et al., *Physician Participation in Medi-Cal, 2008*.

²⁵For our survey, we developed a list of 13 specific factors that could influence physician willingness to serve Medicaid and CHIP children. We developed this list based on a review of other research and pretesting with researchers, physician groups, and physicians.

²⁶The confidence interval for this estimate is plus or minus 6 percent at the 95 percent confidence level.

²⁷The confidence interval for this estimate is plus or minus 6 percent at the 95 percent confidence level.

²⁸The confidence interval for this estimate is plus or minus 7 percent at the 95 percent confidence level.

In contrast, two factors were frequently cited as not limiting physicians' own willingness to participate in Medicaid and CHIP: practice capacity and other patients' perceptions of Medicaid and CHIP patients. Specifically, 64 percent of nonparticipating physicians said that practice capacity does not limit their own willingness to serve Medicaid and CHIP children,²⁹ and 71 percent said other patients' perceptions of Medicaid and CHIP patients does not limit their own willingness to serve these children.³⁰ (For additional information on the degree to which certain factors influence participation for participating and nonparticipating physicians, see app. II, tables 20 and 21.)

Other research has suggested that although physicians often cite administrative issues as limiting their own willingness to participate in Medicaid and CHIP, raising reimbursement rates may not increase their participation in these programs. For example, one study found that physicians' negative perceptions of the program or its beneficiaries may cause them to be reluctant to participate.³¹ Other studies have shown that a number of factors unrelated to reimbursement can affect physician participation in these programs, including gender, the type of practice, whether the physician owns or is an employee in a practice, and the geographic area in which the physician practices.³²

Recent provisions have been implemented to increase Medicaid reimbursement rates. Under PPACA, states are required to increase Medicaid payment rates for primary care services for 2013 and 2014. For these 2 years, states will be required to pay certain primary care physicians an amount equal to the amount Medicare pays for primary care

²⁹The confidence interval for this estimate is plus or minus 7 percent at the 95 percent confidence level.

³⁰The confidence interval for this estimate is plus or minus 8 percent at the 95 percent confidence level.

³¹B. A. Mulvihill, F. A. Obuseh, and C. Caldwell, "Healthcare Providers: Satisfaction with a State Children's Health Insurance Program (SCHIP)," *Maternal and Child Health Journal*, vol. 12, no. 2 (2008).

³²Peter Cunningham, "Physician Reimbursement and Participation in Medicaid" (paper presented to the Medicaid and CHIP Payment and Access Commission, Washington, D.C., Sept. 23, 2010), and Cunningham, *State Variation in Primary Care Physician Supply: Implications for Health Reform Medicaid Expansions*.

services,³³ and the federal government will pay 100 percent of the additional costs.³⁴ However, one researcher noted that for states with the lowest levels of physician supply the increase in reimbursement rates may not increase the supply of Medicaid primary care providers to the levels necessary for the likely growth in the Medicaid population.³⁵

More Than Three Times as Many Participating Physicians Have Difficulty Referring Children in Medicaid and CHIP to Specialty Care as Have Difficulty Referring Privately Insured Children

On the basis of our national survey, most physicians participating in Medicaid and CHIP experience difficulty referring children in these programs to specialty care, but relatively few have difficulty referring privately insured children to specialty care. This difference is consistent for primary and specialty care physicians at the national level, as well as for primary care urban and primary care rural physicians. Physicians who responded to our survey told us that they experience difficulty referring children in Medicaid and CHIP to specialty care for a number of reasons, including specialty physician supply and long waiting lists for specialists willing to accept children covered by Medicaid and CHIP. The most frequently cited specialty types that are difficult referrals for children in Medicaid and CHIP were nearly identical to the types most frequently cited as difficult for privately insured children.

About 84 Percent of Participating Physicians Experience Difficulty Referring Children in Medicaid and CHIP to Specialty Care, a Rate More Than Three Times That for Privately Insured Children

On the basis of the results of our survey, more than three times as many physicians experience difficulty referring children in Medicaid and CHIP to specialty care as experience difficulty referring privately insured children. We estimate that nationally, 84 percent of participating physicians experience some or great difficulty referring children in Medicaid and CHIP, compared to 26 percent for privately insured children.

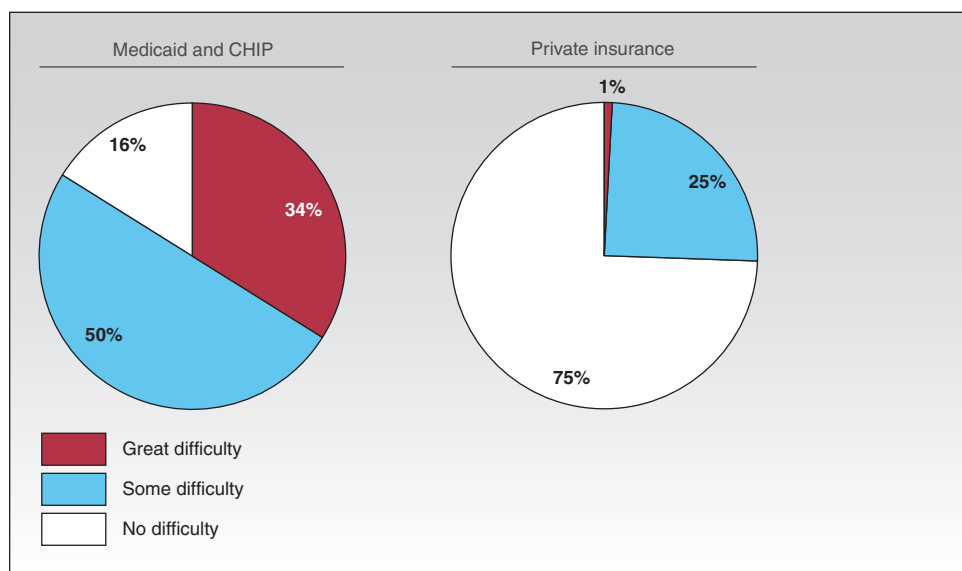
³³The higher Medicaid reimbursement rates are limited to physicians with a primary specialty designation of family medicine, general internal medicine, or pediatric medicine. Increased payments are required where state Medicaid payment rates are lower than Medicare rates for these services. 42 U.S.C. § 1396a(a)(13)(C).

³⁴42 U.S.C. § 1396d(dd).

³⁵The study estimated the additional number of primary care providers that would participate in Medicaid as a result of the 2-year increase in Medicaid reimbursement rates, the growth in Medicaid enrollment expected under PPACA, and the supply of primary care providers that are participating in Medicaid. See Cunningham, *State Variation in Primary Care Physician Supply: Implications for Health Reform Medicaid Expansions*.

Of further note, 34 percent of the physicians experience great difficulty for children in Medicaid and CHIP, compared to 1 percent for privately insured. At the same time, 75 percent experience no difficulty referring privately insured children to specialty care, compared to 16 percent for children in Medicaid and CHIP. (See fig. 6.)

Figure 6: Level of Difficulty Referring Children for Specialty Care among Physicians Participating in Medicaid and CHIP, by Child’s Insurance Type



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

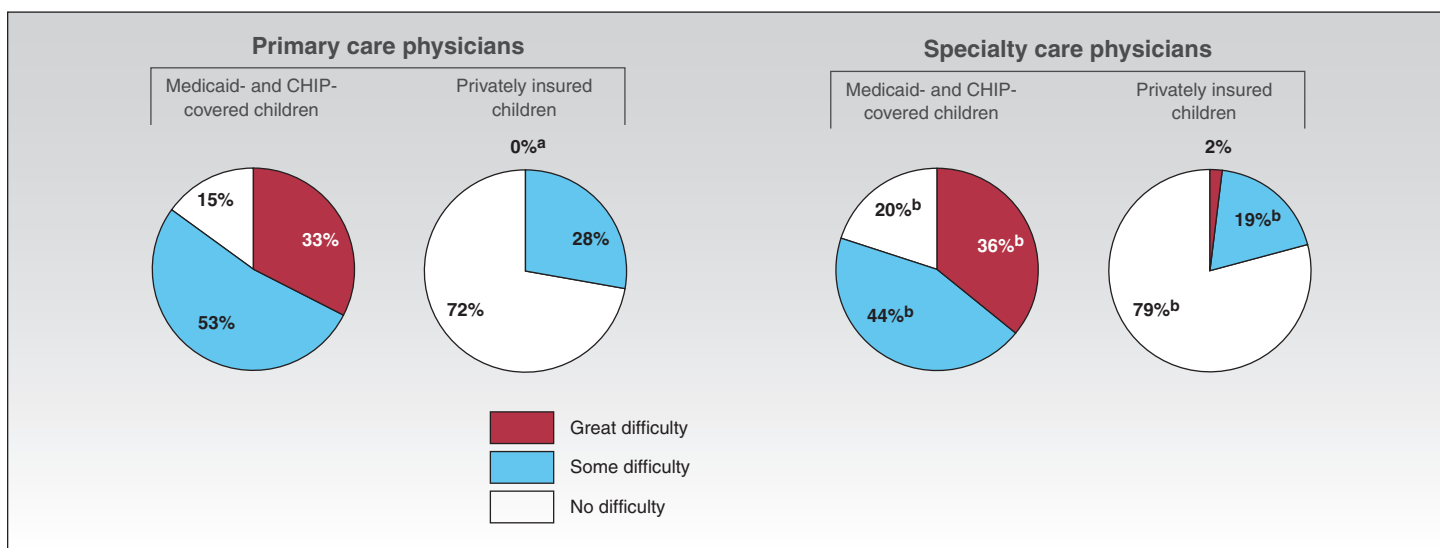
Numbers may not sum to 100 percent because of rounding.

The differences between physician responses for children covered by Medicaid and CHIP and for privately insured children are statistically significant.

Physicians generally have more difficulty referring children in Medicaid and CHIP to specialty care than privately insured children regardless of physician type and geographic location. For each physician group—primary care physicians, specialty care physicians, and primary care urban and primary care rural physicians—a greater percentage of physicians experience difficulty referring children enrolled in Medicaid and CHIP to specialty care than experience difficulty referring privately insured children. (See figs. 7 and 8.) (For additional data on referrals to specialty care by child’s insurance and physician specialty type and geographic

location, including estimates for uninsured children, the lower and upper bounds of all estimates, and information on statistically significant differences, see app. II, tables 22 through 24.) The June 2011 report examining children’s access to specialty services in one large urban county found disparities in provider acceptance of children in Medicaid and CHIP as compared to privately insured children. The study found that 66 percent of the calls for children covered by Medicaid and CHIP were denied an appointment compared to 11 percent for children with private insurance.³⁶

Figure 7: Comparison of Participating Primary Care and Specialty Care Physicians’ Level of Difficulty Referring Children for Specialty Care, by Child’s Insurance Type



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Numbers may not sum to 100 percent because of rounding.

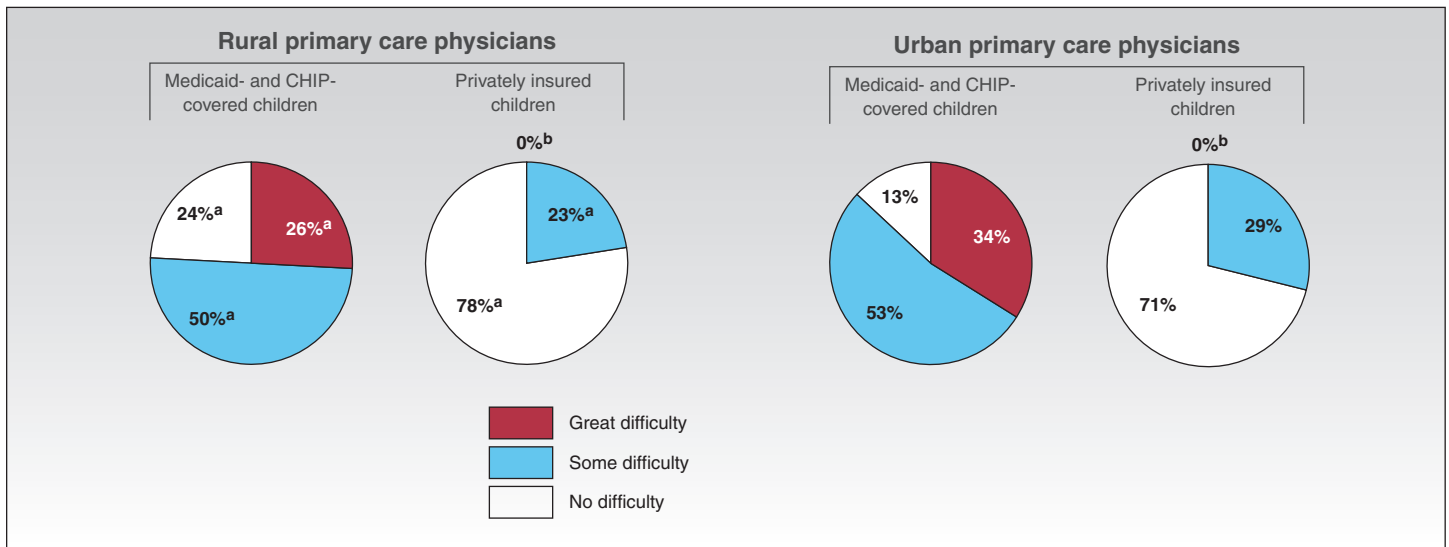
The differences between physician responses for children covered by Medicaid and CHIP and for privately insured children are statistically significant.

^aNo physicians in this group reported “great difficulty” serving privately insured children.

^bThe confidence interval for the estimate is between plus or minus 6 and plus or minus 7 percent at the 95 percent confidence level.

³⁶J. Bisgaier, K. V. Rhodes, “Auditing Access to Specialty Care for Children with Public Insurance.”

Figure 8: Comparison of Participating Rural and Urban Primary Care Physicians' Level of Difficulty Referring Children for Specialty Care, by Child's Insurance Type



Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were a primary care or specialty care physician.

Numbers may not sum to 100 percent because of rounding.

The differences between physician responses for children covered by Medicaid and CHIP and for privately insured children are statistically significant.

^aThe confidence interval for the estimate is between plus or minus 9 and plus or minus 11 percent at the 95 percent confidence level.

^bNo physicians in this group reported "great difficulty" serving privately insured children.

Selected Statements from Physicians on Difficulties Referring Children in Medicaid and CHIP to Specialty Care

“Lack of pediatric specialists”

“It has nothing to do with type of insurance; some specialists are in very short supply”

“Specialists have separate waiting lists for Medicaid versus private”

“Many of the specialists we have to use for Medicaid and CHIP patients have long waiting times”

“Fewer physicians accept these programs because of paperwork, poor reimbursement”

“Few specialists in this small geographical area will see children in the first place; if the risk is high and the reimbursement low, it gets harder”

“There are no specialists within a 75 mile radius who participate in Medicaid and CHIP”

The level of difficulty physicians experience in referring children in Medicaid and CHIP to specialty care is similar to the level of difficulty they experience in referring uninsured children. Specifically, the percentage of participating physicians that experience some or great difficulty referring uninsured children to specialty care (84 percent) was the same as the percentage that experience some or great difficulty referring Medicaid and CHIP to specialty care. These findings are consistent with the findings of our April 2011 report that children in Medicaid and CHIP and uninsured children were more likely to experience problems receiving needed specialty care than privately insured children.³⁷

Physicians who responded to our open-ended survey question requesting information on whether they experience difficulty referring children in Medicaid and CHIP to specialty care cited a variety of reasons, including the short supply of specialists in the area, long waiting lists for specialists, specialists not accepting or limiting the number of children covered by Medicaid and CHIP that they will accept, and low reimbursement rates and other administrative issues associated with the programs.

The Specialties Cited as Difficult Referrals Were Largely the Same for Children in Medicaid and CHIP and for Privately Insured Children

The specialties cited by physicians as difficult to refer children to for specialty care were largely the same for children in Medicaid and CHIP and privately insured children. In our survey, we asked physicians who indicated that they face difficulty referring children to specialists to list the particular specialties for which making a referral is difficult. The most frequently cited specialties for children enrolled in Medicaid and CHIP and privately insured children were mental health specialties (such as psychiatry and psychology), dermatology, and neurology.³⁸ Shortages in these specialty types are not unknown. For example, a 2010 survey of physicians in Michigan found that dermatology, neurology, and pediatric psychiatry were among the most difficult specialties for referrals. Similarly, a 2010 study of the physician workforce in Massachusetts classified the shortages of physicians in dermatology, neurology, and

³⁷Our examination of 2007 HHS national survey data, MEPS, suggested that 15 percent of children in Medicaid and CHIP age 17 and younger needed to see a specialist, and 24 percent of those children had problems seeing specialists; and that 16 percent of uninsured children age 17 and younger needed to see a specialist, and 29 percent of those children had problems seeing a specialist. [GAO-11-293R](#).

³⁸Mental health specialists cited by physicians included psychiatrists, psychologists, drug counselors, and other therapists.

psychiatry as severe.³⁹ HHS projects that, as for many specialties, the supply of psychiatrists, dermatologists, and neurologists will continue to grow for the next decade or so. However, HHS noted that demand for physician services—both primary and specialty care—is growing faster than supply, and that the resulting shortfall could impede national health care goals.⁴⁰

Concluding Observations

Medicaid and CHIP have a significant role in addressing the preventive and specialty health care needs of tens of millions of children in the United States. In April 2011, we reported that children’s access to needed specialty care is an issue warranting closer monitoring. We recommended to CMS—a recommendation to which CMS agreed—that the agency work with states to identify ways to improve annual Medicaid and CHIP reports that states submit to CMS, including ways to capture information on children’s receipt of specialty care services for which they have been referred by a physician or other provider. Findings of our current review, capturing perspectives of physicians working to serve the medical needs of Medicaid and CHIP children, further suggest the need for monitoring of children’s receipt of needed specialty care in Medicaid and CHIP. In particular, our finding that more than three times as many physicians experience difficulty referring children in Medicaid and CHIP to specialty care as experience difficulty referring privately insured children lends importance to our April 2011 recommendation in that it gives the clearest indication to date of the extent of the referral problem for children in Medicaid and CHIP.

Agency Comments and Our Evaluation

We provided a draft of this report to HHS for its review and comment. HHS’s letter and general comments are reprinted in appendix III. HHS commented that CMS is committed to improving physician participation rates and that our report will be of significant value to CMS as it works with states and providers to ensure that beneficiaries have access to covered health care services. HHS also raised concerns about the report’s portrayal of the percentage of physicians accepting *all* Medicaid and CHIP

³⁹Michigan Department of Community Health, *Survey of Physicians* (Lansing, Mich.: 2011); and Massachusetts Medical Society, *2010 Physician Workforce Study* (Waltham, Mass.: October 2010).

⁴⁰HHS, *The Physician Workforce: Projections and Research into Current Issues Affecting Supply and Demand* (December 2008).

children separately from the percentage accepting *some*, saying that when the report describes half of physicians as accepting all new children, the reader may assume the other half does not accept any new children. HHS suggested that we combine the percentages of physicians accepting some and all. We do not agree with HHS's suggestion. The report consistently depicts the extent of physicians' willingness to serve by providing the share accepting all, some, or no children in Medicaid and CHIP as new patients, and combining all and some would mask the important differences in physicians' willingness to accept Medicaid and CHIP children. HHS also commented that we should provide qualifying statements about our sample of physicians, because the majority of physicians who responded to our survey do not serve a large percentage of children. We conducted statistical testing of the survey data to determine whether physician characteristics—including the percentage of the physician's practice that is made up of children—influenced physicians' responses. We found that the percentage of children in physicians' practices did not affect physician responses to key questions in our survey. We revised our report to provide information about this additional statistical testing. HHS also provided technical comments, which we incorporated as appropriate.

We are sending copies of this report to the Administrator of CMS and other interested parties. In addition, the report is available at no charge on GAO's Web site at <http://www.gao.gov>.

If you or your staffs have any questions or need additional information, please contact me at (202) 512-7114 or iritanik@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff members who made key contributions to this report are listed in appendix IV.



Katherine Iritani
Director, Health Care

Appendix I: Scope and Methodology for GAO Survey of Primary Care and Specialty Care Physicians

We conducted a mixed-mode survey (mail and Web-based) of primary care and specialty care physicians to determine the extent to which nonfederal primary care and specialty care physicians are enrolled as Medicaid and Children's Health Insurance Program (CHIP) providers and serve children in these programs; the extent to which they are accepting new Medicaid and CHIP patients; factors that may affect physicians' own willingness to participate in Medicaid and CHIP; and the extent to which participating physicians experience difficulty referring children in Medicaid and CHIP for specialty care.

Development of Survey Questionnaire

We developed a questionnaire for surveying primary care and specialty care physicians. We pretested the questionnaire with a convenience sample of primary care and specialty care physicians in four states: Georgia, Illinois, Oregon, and Washington. On the basis of the pretest results, we revised the questionnaire for clarity. Most questions were closed-ended, in which physicians selected from a list of possible responses, answered yes or no questions, or selected responses on a three-point scale, such as none, some, or all. The questionnaire also included some open-ended questions to allow respondents to identify specific types of specialty care physicians that were difficult to get referrals to or other comments respondents had regarding serving children in Medicaid and CHIP.

Survey of Primary Care and Specialty Care Physicians

Using the questionnaire, we surveyed a nationally representative sample of primary care and specialty care physicians, including a representative sample of primary care physicians in rural and urban areas. We used the American Medical Association's Physician Masterfile to select a random sample. We fielded the questionnaire from August 2010 through October 2010. Our random sample included 2,642 primary care and specialty care physicians who were eligible to participate. Eligible physicians were those who

1. work in an office- or hospital-based setting;
2. provide direct patient care to children (age 0-18);

3. have a primary specialty in one of our two groups of physicians;¹
4. are age 65 or younger; and
5. are not an employee of a federal agency.

We received complete responses from 932 eligible physicians, for an overall response rate of 35 percent. Based on the sampling frame and the results of our nonresponse bias analyses, we were able to generalize results nationally to primary care and specialty care physicians who serve children. Table 2 illustrates the response rates for each physician group surveyed.

Table 2: Response Rates for GAO’s Survey of Primary Care and Specialty Care Physicians

Physician group	Eligible physicians surveyed	Eligible physicians who responded	Response rate
Urban Primary Care Physicians	1,490	505	34%
Rural Primary Care Physicians	232	108	47
Specialty Care Physicians	920	319	35
Total	2,642	932	35%

Source: GAO.

Analysis of Physician Responses

We analyzed survey results for four groups of physicians: primary care physicians, specialty care physicians, primary care physicians in urban areas, and primary care physicians in rural areas. We analyzed physician responses using standard descriptive statistics. In our analysis, we project results to the national level, and to areas where both managed care and fee-for-service delivery systems are available. All estimates are based on self-reported information provided by the survey respondents and have a margin of error of plus or minus 5 percent or less at the 95 percent confidence level, unless otherwise noted.

¹For primary care physicians, specialties included adolescent medicine, family medicine, general medicine, internal medicine, obstetrics and gynecology, and pediatrics. For specialty care physicians, specialties included allergy and immunology, dermatology, endocrinology, gastroenterology, general surgery or pediatric surgery, neurology, orthopedic surgery or sports medicine, ophthalmology, otolaryngology, otology, hematology or oncology, psychiatry, thoracic surgery, and urology. When applicable, we also included the pediatric subspecialties associated with these specialty types.

For the open-ended questions related to difficulties making referrals to specialty care,² we used a standard content review method to identify the types of specialists that physicians have difficulty referring children to for specialty care. Our coding process for these qualitative responses involved one independent coder and an independent reviewer who verified the coded comments.

Characteristics of Survey Respondents

Of the 932 eligible physicians responding to our survey, two-thirds were male; over two-thirds worked in an office-based setting; and, for most, child patients represented less than 20 percent of the patients they served (see table 3 and figs. 9 and 10). On average, respondents were 50 years old, and had graduated from medical school 23 years earlier. Ninety-three percent provided at least 20 hours of patient care per week.

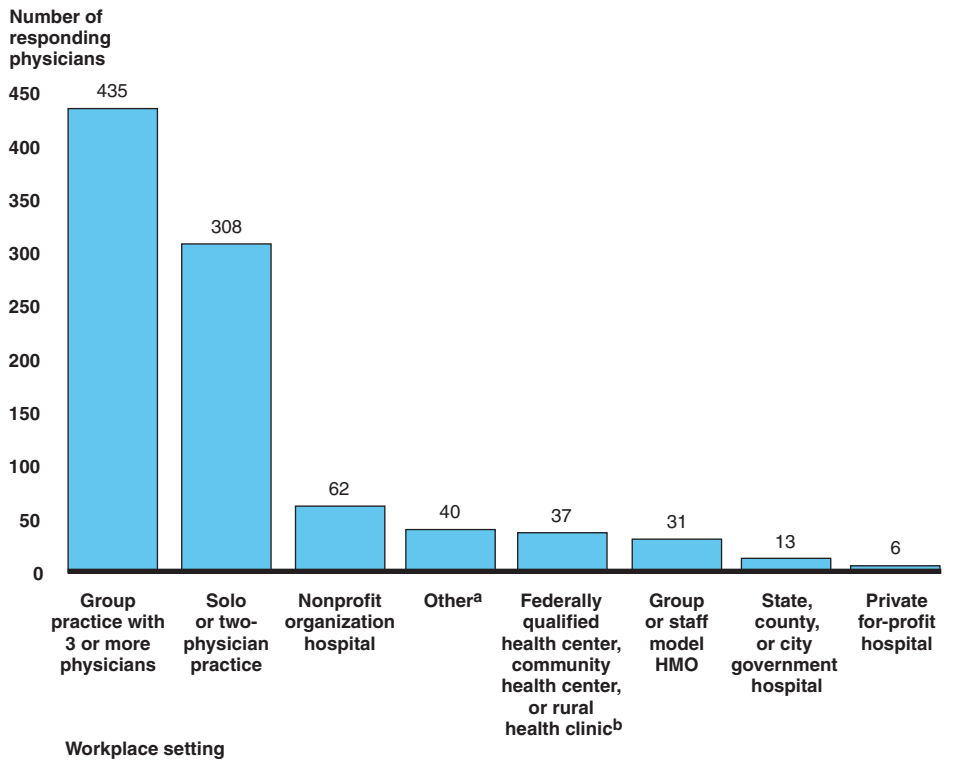
Table 3: Gender of Physicians Who Responded to the Survey

	Primary care urban	Primary care rural	Specialty care	Total
Female	210	28	64	302
Male	295	80	255	630
Total	505	108	319	932

Source: GAO.

²Specifically, we asked physicians to describe why they experience difficulty referring Medicaid or CHIP patients to specialty referrals; list the top specialties for which making a referral for a consultation is difficult for Medicaid or CHIP children, or both; and list the top specialties for which making a referral for a consultation is difficult for privately insured children.

Figure 9: Workplace Setting of Physicians Who Responded to the Survey

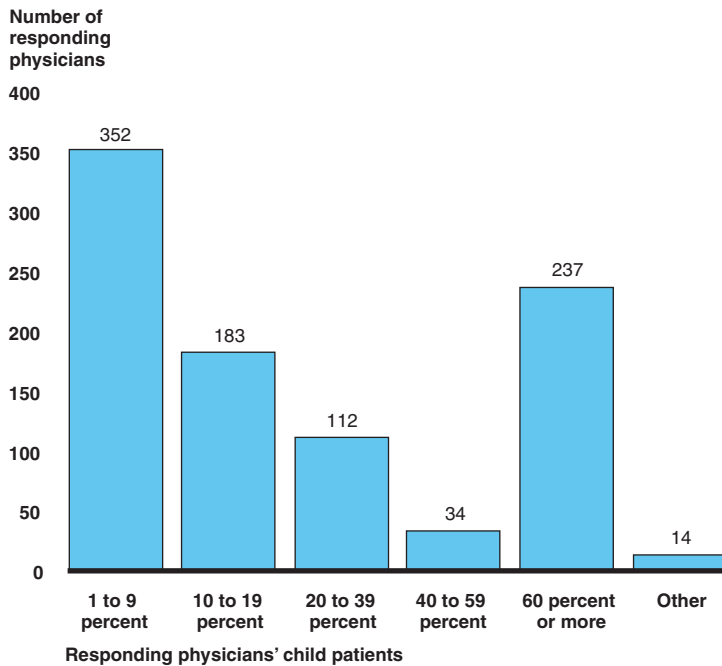


Source: GAO.

^a“Other” includes those who work in another setting and those who did not respond to this question.

^bThe eligible physicians included in our sample who worked at federally qualified health centers, community health centers, or rural health clinics were not federal employees.

Figure 10: Responding Physicians' Patients Who Are Children (Age 0-18)



Source: GAO.

Note: "Other" are those that did not respond to the question.

The number of physicians who employ nurse practitioners or physician assistants was about evenly split among physicians responding to our survey. About two-thirds of primary care rural physicians in our sample said they employ nurse practitioners or physician assistants (see table 4).

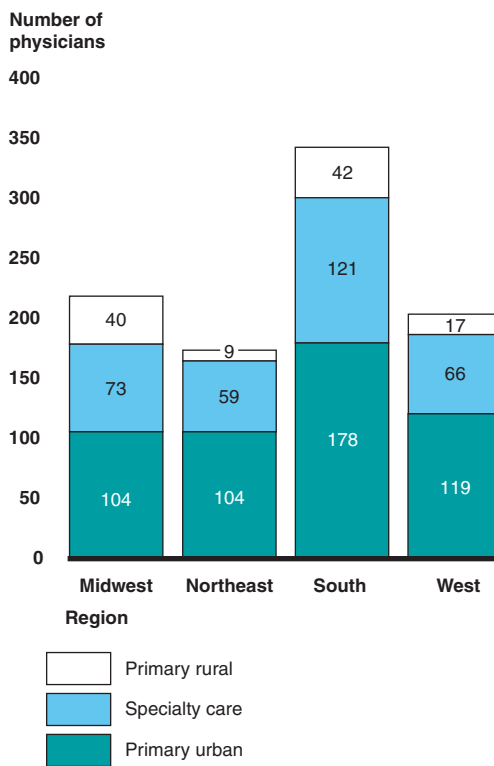
Table 4: Employment of Nurse Practitioners or Physician Assistants to Provide Direct Patient Care, among Physicians Who Responded to the Survey

	Primary care urban	Primary care rural	Specialty care	Total
Yes	270	70	129	469
No	228	35	189	452
No response	7	3	1	11
Total	505	108	319	932

Source: GAO.

The number of physicians who responded to our survey varied by region, with the highest numbers of physicians responding from the South, and the lowest from the Northeast (see fig. 11).

Figure 11: Number of Physicians Who Responded to the Survey, by Strata and Region



Source: GAO.

Nonresponse and Internal Consistency of Survey Data

We performed checks on survey responses to identify inconsistent answers. We also reviewed survey data for missing or ambiguous responses, and performed statistical testing to determine whether physician characteristics (such as age, gender, or percentage of children physicians reported serving) influenced physicians' responses to key survey questions. We found that physician characteristics did not influence responses. We also conducted a nonresponse bias analysis to determine whether any bias was introduced in the results due to the absence of responses from some members of the sample. For the nonresponse bias analysis, we utilized data from our survey, the American Medical Association Physician Masterfile, and follow-up telephone

interviews with physicians who did not respond to our paper or Web-based survey. Based on the results of our nonresponse bias analysis, we adjusted our survey analysis weights to ensure that physicians were appropriately represented in our study.

Based on our systematic survey processes, follow-up procedures, and nonresponse bias analysis, we determined that the questionnaire responses were representative of the experience and perceptions of primary care and specialty care physicians nationally, and of primary care physicians in urban and rural areas. We determined that the data were sufficiently reliable for our purposes.

Appendix II: 2010 Physician Survey Results

This appendix contains additional data we collected from our 2010 national survey of physicians who serve children. It includes the results from the closed-ended survey questions on our questionnaire, but does not include narrative responses that we received to the open-ended questions. Results are generally provided for physicians participating in state Medicaid and Children's Health Insurance Program (CHIP) programs—that is, physicians who are enrolled in these programs and also providing services to these children in these programs.

We report statistically significant differences only when comparing responses by (1) the child's type of insurance (Medicaid and CHIP coverage and private insurance coverage); (2) physician type (all physicians, primary care physicians, and specialty care physicians); (3) geographic location (rural and urban) of primary care physicians; and (4) child's type of insurance for each type of physician. We provide national estimates regarding the following:¹

- **physician participation**—the extent to which physicians are participating, that is, enrolled in Medicaid and CHIP and serving children in these programs (tables 5 through 8);
- **acceptance of new patients**—participating physicians' acceptance of new child patients by insurance type, physician type, delivery model, and Medicaid and CHIP (tables 9 through 12), and the length of time patients must wait for a new appointment, by insurance type (tables 13 through 15);
- **patient composition**—children in Medicaid and CHIP as a share of all children served by participating physicians (tables 16 through 19);

¹We calculated a lower and upper bound at the 95 percent confidence level for each national estimate using raw data and the appropriate sampling weights and survey design variables. There is a 95 percent probability that the actual percentage falls within the lower and upper bounds. We indicated where a statistically significant difference exists when comparing responses of physician groups (primary care physicians and specialty care physicians) and by child's type of insurance (Medicaid and CHIP coverage and private insurance coverage).

- **factors limiting Medicaid and CHIP participation**—factors cited by nonparticipating and participating physicians as limiting their own participation in these programs (tables 20 through 21);² and
- **level of difficulty referring children for specialty care**—the extent to which participating physicians experience difficulties referring to specialty care (tables 22 through 24).

Physician Participation

Table 5: Percentage of All Physicians Participating in Medicaid and CHIP (Enrolled as a Medicaid and CHIP Provider and Serving Children), Nationally

	Percentage (lower bound, upper bound)
Yes	78 (76, 81) ^a
No	22 (19, 24) ^a

Source: GAO.

Notes: The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of physicians who responded yes and the percentage of physicians who responded no is statistically significant at the 95 percent confidence level.

Table 6: Percentage of All Physicians Participating in Medicaid and CHIP (Enrolled as a Medicaid and CHIP Provider and Serving Children), by Physician Type

	Primary Care Percentage (lower bound, upper bound)	Specialty Care Percentage (lower bound, upper bound)
Yes	83 (80, 86) ^{a,b}	71 (66, 77) ^{a,b}
No	17 (14, 20) ^{a,b}	29 (23, 34) ^{a,b}

Source: GAO.

Notes: The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of physicians who responded yes and the percentage of physicians who responded no is statistically significant at the 95 percent confidence level.

^bThe difference between the percentage of primary care physicians and the percentage of specialty care physicians is statistically significant at the 95 percent confidence level.

²For our survey, we developed a list of 13 specific factors that could influence physician willingness to serve Medicaid and CHIP children. We developed this list based on a review of other research and pretesting with researchers, physician groups, and physicians.

Table 7: Percentage of All Primary Care Physicians Participating in Medicaid and CHIP (Enrolled as a Medicaid and CHIP Provider and Serving Children), by Geographic Location

	Rural Percentage (lower bound, upper bound)	Urban Percentage (lower bound, upper bound)
Yes	94 (88, 99) ^{a,b}	81 (78, 85) ^{a,b}
No	6 (1, 12) ^{a,b}	19 (15, 22) ^{a,b}

Source: GAO.

Notes: The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of physicians who responded yes and the percentage of physicians who responded no is statistically significant at the 95 percent confidence level.

^bThe difference between the percentage of primary care rural physicians and the percentage of primary care urban physicians is statistically significant at the 95 percent confidence level.

Table 8: Percentage of Participating Physicians Serving Children in Medicaid and CHIP by Fee-for-Service and Managed Care Delivery Models, in Areas Where Both Delivery Models Are Available

Both fee-for-service and managed care Percentage (lower bound, upper bound)	Fee-for-service only Percentage (lower bound, upper bound only)	Managed care only Percentage (lower bound, upper bound)	Not serving or other response^a Percentage (lower bound, upper bound)	Total
78 (73, 83)	10 (7, 14)	8 (5, 11)	4 (2, 7)	100

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians. These data are projected to areas where both managed care and fee-for-service delivery models are available.

^aFor example, no response or do not know.

Acceptance of New Patients

Table 9: Extent to Which Participating Physicians Are Accepting New Patients (Age 0-18), by Child's Insurance Type

	Percentage (lower bound, upper bound)
Medicaid and CHIP	
None	9 (7, 11) ^a
Some	44 (40, 48) ^a
All	47(43, 51) ^a
Private insurance	
None	3 (2, 4) ^a
Some	18 (15, 21) ^a
All	79 (76, 82) ^a
Uninsured	
None	9 (7, 11)
Some	36 (32, 40)
All	55 (51, 59)

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of children covered by Medicaid and CHIP and the percentage of children covered by private insurance is statistically significant at the 95 percent confidence level.

Table 10: Extent to Which Participating Physicians Are Accepting New Patients (Age 0-18), by Child's Insurance Type, and by Physician Type

	Primary Care Percentage (lower bound, upper bound)	Specialty Care Percentage (lower bound, upper bound)
Medicaid and CHIP		
None	12 (9, 15) ^{a,b}	4 (1, 7) ^a
Some	43 (38, 48) ^b	45 (38, 52) ^b
All	45 (41, 50) ^b	51 (44, 58) ^b
Private insurance		
None	4 (2, 6) ^{a,b}	1 (0, 2) ^a
Some	19 (15, 23) ^b	16 (10, 21) ^b
All	77 (73, 81) ^b	84 (79, 89) ^b
Uninsured		
None	11 (8, 14)	6 (2, 9)
Some	34 (29, 38)	41 (34, 48)
All	56 (51, 61)	53 (46, 60)

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of primary care physicians and the percentage of specialty care physicians is statistically significant at the 95 percent confidence level.

^bThe difference between the percentage of children covered by Medicaid and CHIP and the percentage of children covered by private insurance is statistically significant at the 95 percent confidence level.

Table 11: Extent to Which Participating Primary Care Physicians Are Accepting New Patients (Age 0-18), by Child’s Insurance Type, and by Geographic Location

	Rural Percentage (lower bound, upper bound)	Urban Percentage (lower bound, upper bound)
Medicaid and CHIP		
None	9 (3, 16)	12 (9, 15) ^a
Some	29 (19, 39) ^b	45 (40, 50) ^{a,b}
All	62 (51, 72) ^{a,b}	43 (38, 48) ^{a,b}
Private insurance		
None	5 (0, 10)	4 (2, 6) ^a
Some	13 (6, 20)	20 (16, 24) ^a
All	83 (74, 91) ^a	76 (71, 80) ^a
Uninsured		
None	6 (1, 11)	11 (8, 15)
Some	29 (20, 39)	34 (29, 39)
All	65 (54, 75)	54 (49, 60)

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of children covered by Medicaid and CHIP and the percentage of children covered by private insurance is statistically significant at the 95 percent confidence level.

^bThe difference between the percentage of rural primary care physicians and the percentage of urban primary care physicians is statistically significant at the 95 percent confidence level.

Table 12: Percentage of Participating Physicians Accepting New Medicaid and CHIP Patients (Age 0-18), by Fee-for-Service and Managed Care Delivery Model in Areas Where Both Delivery Models Are Available

Both fee-for-service and managed care Percentage (lower bound, upper bound)	Fee-for-service only Percentage (lower bound, upper bound)	Managed care only Percentage (lower bound, upper bound)	Not accepting or other response^a Percentage (lower bound, upper bound)	Total
69 (64, 74)	10 (7, 14)	7 (4, 10)	13 (9, 17)	100

Source: GAO.

Notes: The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians. These data are projected to areas where both managed care and fee-for-service delivery models are available.

Numbers do not sum to 100 percent because of rounding.

^aFor example, no response or do not know.

Table 13: Participating Physicians' Wait Times for Next Available Appointment for New Patients (Age 0-18), by Insurance Type

	Percentage (lower bound, upper bound)
Medicaid and CHIP	
Within 48 hours	29 (25, 32)
2 to 6 days	25 (22, 29)
1 to 2 weeks	21 (18, 24)
15 days to 4 weeks	16 (13, 19)
More than 4 weeks	9 (6, 11)
Private insurance	
Within 48 hours	32 (29, 36)
2 to 6 days	26 (23, 29)
1 to 2 weeks	21 (18, 24)
15 days to 4 weeks	14 (12, 17)
More than 4 weeks	7 (5, 9)

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Table 14: Participating Physicians' Wait Times for Next Available Appointment for New Patients (Age 0-18), by Insurance Type and Physician Type

	Primary Care Percentage (lower bound, upper bound)	Specialty Care Percentage (lower bound, upper bound)
Medicaid and CHIP		
Within 48 hours	39 (34, 44) ^a	12 (7, 16) ^a
2 to 6 days	26 (22, 30)	24 (18, 30)
1 to 2 weeks	17 (14, 21)	27 (21, 33)
15 days to 4 weeks	13 (10, 17)	22 (16, 27)
More than 4 weeks	5 (3, 7) ^a	15 (10, 20) ^a
Private Insurance		
Within 48 hours	42 (37, 46) ^a	19 (14, 23) ^a
2 to 6 days	24 (20, 28)	28 (23, 33)
1 to 2 weeks	17 (14, 21) ^a	26 (21, 31) ^a
15 days to 4 weeks	12 (9, 15)	17 (12, 21)
More than 4 weeks	5 (3, 6) ^a	11 (7, 14) ^a

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of primary care physicians and the percentage of specialty care physicians is statistically significant at the 95 percent confidence level.

Table 15: Participating Primary Care Physicians' Wait Times for Next Available Appointment for New Patients (Age 0-18), by Insurance Type and Geographic Location

	Rural Percentage (lower bound, upper bound)	Urban Percentage (lower bound, upper bound)
Medicaid and CHIP		
Within 48 hours	48 (36, 59)	38 (32, 43)
2 to 6 days	23 (13, 32)	26 (22, 31)
1 to 2 weeks	19 (10, 27)	17 (13, 21)
15 days to 4 weeks	9 (2, 15)	14 (10, 18)
More than 4 weeks	3 (0, 6)	5 (3, 8)
Private insurance		
Within 48 hours	47 (37, 58)	41 (36, 45)
2 to 6 days	23 (14, 32)	24 (20, 28)
1 to 2 weeks	19 (11, 27)	17 (14, 21)
15 days to 4 weeks	9 (3, 15)	13 (10, 16)
More than 4 weeks	2 (0, 5)	5 (3, 7)

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Patient Composition

Table 16: Percentage of All Participating Physicians' Child Patients (Age 0-18) in Medicaid and CHIP

	Percentage (upper bound, lower bound)
Below 10 percent	38 (34, 42)
10 to 19 percent	17 (14, 20)
20 to 39 percent	16 (13, 19)
40 to 59 percent	12 (9, 14)
60 percent or more	18 (15, 22)

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Table 17: Percentage of Participating Physicians' Child Patients (Age 0-18) in Medicaid and CHIP, by Physician Type

	Primary Care Percentage (lower bound, upper bound)	Specialty Care Percentage (lower bound, upper bound)
Below 10 percent	35 (30, 40)	43 (35, 50)
10 to 19 percent	17 (13, 20)	17 (11, 23)
20 to 39 percent	16 (12, 19)	15 (10, 21)
40 to 59 percent	12 (9, 15)	11 (6, 15)
60 percent or more	20 (16, 24)	14 (9, 20)

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Table 18: Percentage of Participating Primary Care Physicians' Child Patients (Age 0-18) in Medicaid and CHIP, by Geographic Location

	Rural Percentage (lower bound, upper bound)	Urban Percentage (lower bound, upper bound)
Below 10 percent	22 (13, 32)	37 (32, 42)
10 to 19 percent	17 (8, 26)	17 (13, 21)
20 to 39 percent	18 (10, 27)	15 (11, 19)
40 to 59 percent	24 (14, 33)	11 (7, 14)
60 percent or more	18 (10, 27)	21 (16, 25)

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Table 19: Percentage of Participating Physicians' Child Patients (Age 0-18) in Medicaid and CHIP, by Acceptance of Medicaid and CHIP Patients (Age 0-18)

	Accepting new Medicaid and CHIP patients (age 0-18) Percentage (lower bound, upper bound)	Not accepting new Medicaid and CHIP patients (age 0-18) Percentage (lower bound, upper bound)
Below 10 percent	34 (29, 38) ^a	74 (63, 86) ^a
10 to 19 percent	18 (14, 21)	10 (2, 18)
20 to 39 percent	16 (13, 20)	8 (1, 15)
40 to 59 percent	13 (10, 15) ^a	4 (0, 9) ^a
60 percent or more	20 (16, 23) ^a	4 (0, 9) ^a

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of physicians accepting new Medicaid and CHIP patients (age 0-18) and the percentage of physicians not accepting new Medicaid and CHIP patients (age 0-18) is statistically significant at the 95 percent confidence level.

Factors Limiting Medicaid and CHIP Participation

Table 20: Extent to Which Certain Factors Limit Participating and Nonparticipating Physicians' Own Willingness to Serve Children (Age 0-18) in Medicaid and CHIP

Factor	Extent	Percentage (upper bound, lower bound)
(a) Billing requirements and/or billing paperwork burdens	Does not limit	38 (34, 41)
	Somewhat limits	38 (35, 41)
	Greatly limits	24 (21,27)
(b) Burdensome provider enrollment or participation requirements	Does not limit	43 (39, 46)
	Somewhat limits	38 (35, 41)
	Greatly limits	19 (17, 22)
(c) Low reimbursements	Does not limit	22 (20, 25)
	Somewhat limits	30 (27, 33)
	Greatly limits	48 (44, 51)
(d) Delayed reimbursements	Does not limit	33 (29, 36)
	Somewhat limits	35 (31, 38)
	Greatly limits	33 (30, 36)
(e) Practice does not have the capacity to accept new patients	Does not limit	71 (68, 74)
	Somewhat limits	23 (20, 26)
	Greatly limits	6 (4, 8)
(f) Complex medical or psychosocial needs of patients	Does not limit	58 (54, 61)
	Somewhat limits	35 (31, 38)
	Greatly limits	8 (6, 9)
(g) Limited patient compliance with scheduling	Does not limit	42 (39, 46)
	Somewhat limits	42 (39, 46)
	Greatly limits	15 (13,18)
(h) Limited patient compliance with treatment	Does not limit	47 (44, 50)
	Somewhat limits	41 (38, 44)
	Greatly limits	12 (10, 14)
(i) Frequent changes in patient eligibility	Does not limit	37 (34, 40)
	Somewhat limits	45 (42, 49)
	Greatly limits	17 (15, 20)
(j) Difficulty referring patients to other providers	Does not limit	35 (32, 38)
	Somewhat limits	38 (35, 41)
	Greatly limits	27 (24, 30)
(k) Other patients have a negative perception of Medicaid and CHIP patients	Does not limit	80 (77, 82)
	Somewhat limits	17 (15, 20)
	Greatly limits	3 (2, 4)

Factor	Extent	Percentage (upper bound, lower bound)
(l) Increased risk of medical liability issues	Does not limit	60 (57, 63)
	Somewhat limits	30 (26, 33)
	Greatly limits	11 (9, 13)
(m) Inadequate range of covered benefits	Does not limit	43 (40, 47)
	Somewhat limits	39 (36, 43)
	Greatly limits	17 (15, 20)

Source: GAO.

Note: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

Table 21: Extent to Which Certain Factors Limit Physicians' Own Willingness to Serve Children (Age 0-18) in Medicaid and CHIP, by Participating Physicians and Nonparticipating Physicians

Factor	Extent	Participating Physicians Percentage (lower bound, upper bound)	Nonparticipating Physicians Percentage (lower bound, upper bound)
(a) Billing requirements and/or billing paperwork burdens	Does not limit	43 (39, 47) ^a	13 (7, 18) ^a
	Somewhat limits	41 (37, 45) ^a	28 (21, 36) ^a
	Greatly limits	16 (13, 19) ^a	59 (51, 67) ^a
(b) Burdensome provider enrollment or participation requirements	Does not limit	49 (45, 53) ^a	15 (10, 21) ^a
	Somewhat limits	38 (34, 42)	36 (28, 43)
	Greatly limits	13 (10, 15) ^a	49 (41, 57) ^a
(c) Low reimbursements	Does not limit	25 (22, 29) ^a	5 (2, 9) ^a
	Somewhat limits	35 (31, 38) ^a	15 (9, 21) ^a
	Greatly limits	40 (36, 44) ^a	79 (73, 86) ^a
(d) Delayed reimbursements	Does not limit	35 (32, 39) ^a	15 (9, 21) ^a
	Somewhat limits	36 (33, 40)	27 (19, 34)
	Greatly limits	28 (25, 32) ^a	58 (50, 66) ^a
(e) Practice does not have the capacity to accept new patients	Does not limit	73 (70, 77)	64 (56, 71)
	Somewhat limits	21 (18, 24)	29 (22, 37)
	Greatly limits	6 (4, 8)	7 (3, 11)
(f) Complex medical or psychosocial needs of patients	Does not limit	61 (58, 65) ^a	44 (36, 52) ^a
	Somewhat limits	32 (28, 35) ^a	46 (38, 54) ^a
	Greatly limits	7 (5, 9)	10 (5, 15)
(g) Limited patient compliance with scheduling	Does not limit	43 (39, 47)	38 (30, 45)
	Somewhat limits	42 (38, 46)	44 (36, 52)
	Greatly limits	15 (12, 18)	18 (12, 24)
(h) Limited patient compliance with treatment	Does not limit	48 (44, 52)	39 (31, 47)
	Somewhat limits	41 (37, 45)	44 (36, 52)
	Greatly limits	11 (9, 14)	17 (11, 23)
(i) Frequent changes in patient eligibility	Does not limit	37 (33, 41)	30 (23, 37)
	Somewhat limits	47 (43, 51)	45 (37, 53)
	Greatly limits	16 (13, 19)	25 (18, 32)
(j) Difficulty referring patients to other providers	Does not limit	36 (32, 40) ^a	22 (15, 29) ^a
	Somewhat limits	40 (36, 44)	34 (26, 41)
	Greatly limits	24 (20, 27) ^a	44 (36, 52) ^a

Factor	Extent	Participating Physicians Percentage (lower bound, upper bound)	Nonparticipating Physicians Percentage (lower bound, upper bound)
(k) Other patients have a negative perception of Medicaid and CHIP patients	Does not limit	82 (79, 85)	71 (64, 79)
	Somewhat limits	16 (13, 19)	23 (16, 30)
	Greatly limits	2 (1, 3)	5 (2, 9)
(l) Increased risk of medical liability issues	Does not limit	65 (61, 69) ^a	38 (30, 46) ^a
	Somewhat limits	27 (24, 31) ^a	42 (34, 50) ^a
	Greatly limits	8 (6, 10) ^a	20 (14, 27) ^a
(m) Inadequate range of covered benefits	Does not limit	47 (43, 51) ^a	26 (19, 33) ^a
	Somewhat limits	38 (35, 42)	45 (37, 53)
	Greatly limits	14 (11, 17) ^a	29 (22, 37) ^a

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of participating physicians and the percentage of nonparticipating physicians is statistically significant at the 95 percent confidence level.

Level of Difficulty Referring Children for Specialty Care

Table 22: Level of Difficulty Referring Children for Specialty Care for Participating Physicians, by Child’s Insurance Type

	Percentage (upper bound, lower bound)
Medicaid and CHIP	
No Difficulty	16 (13, 19) ^a
Some Difficulty	50 (46, 54) ^a
Great Difficulty	34 (30, 38) ^a
Private insurance	
No Difficulty	75 (71, 78) ^a
Some Difficulty	25 (21, 28) ^a
Great Difficulty	1 (0, 1) ^a
Uninsured	
No Difficulty	16 (13, 19)
Some Difficulty	33 (29, 37)
Great Difficulty	51 (47, 55)

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of children covered by Medicaid and CHIP and the percentage of children covered by private insurance is statistically significant at the 95 percent confidence level.

Table 23: Comparison of Participating Primary Care and Specialty Care Physicians' Level of Difficulty Referring Children for Specialty Care, by Child's Insurance Type

	Primary Care Percentage (lower bound, upper bound)	Specialty Care Percentage (lower bound, upper bound)
Medicaid or CHIP		
No Difficulty	15 (11, 18) ^a	20 (14, 25) ^a
Some Difficulty	53 (48, 57) ^a	44 (37, 52) ^a
Great Difficulty	33 (28, 37) ^a	36 (29, 43) ^a
Private insurance		
No Difficulty	72 (68, 76) ^a	79 (73, 85) ^a
Some Difficulty	28 (24, 32) ^a	19 (13, 25) ^a
Great Difficulty	0 ^a	2 (0, 4) ^a
Uninsured		
No Difficulty	14 (11, 18)	18 (12, 24)
Some Difficulty	37 (32, 42)	26 (19, 33)
Great Difficulty	49 (44, 54)	56 (48, 64)

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of children covered by Medicaid and CHIP and the percentage of children covered by private insurance is statistically significant at the 95 percent confidence level.

Table 24: Comparison of Participating Rural and Urban Primary Care Physicians' Level of Difficulty Referring Children for Specialty Care, by Child's Insurance Type

	Rural Percentage (lower bound, upper bound)	Urban Percentage (lower bound, upper bound)
Medicaid or CHIP		
No Difficulty	24 (15, 33) ^a	13 (10, 17) ^a
Some Difficulty	50 (39, 61) ^a	53 (48, 58) ^a
Great Difficulty	26 (17, 36) ^a	34 (29, 39) ^a
Private insurance		
No Difficulty	76 (68, 87) ^a	71 (67, 76) ^a
Some Difficulty	23 (13, 32) ^a	29 (24, 33) ^a
Great Difficulty	0 ^a	0 ^a
Uninsured		
No Difficulty	20 (11, 29)	14 (10, 17)
Some Difficulty	35 (24, 45)	37 (32, 43)
Great Difficulty	46 (35, 57)	49 (44, 55)

Source: GAO.

Notes: Participating physicians are those enrolled as Medicaid and CHIP providers and serving children in one or both of these programs. The sampling frame for our survey included all practicing physicians in the United States who were office- or hospital-based and age 65 or younger, who were not federal employees, who provided direct patient care to children (age 0-18), and who were primary care or specialty care physicians.

^aThe difference between the percentage of children covered by Medicaid and CHIP and percentage of children covered by private insurance is statistically significant at the 95 percent confidence level.

Appendix III: Comments from the Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

OFFICE OF THE SECRETARY

Assistant Secretary for Legislation
Washington, DC 20201

Katherine Iritani
Acting Director, Health Care
U.S. Government Accountability Office
441 G Street N.W.
Washington, DC 20548

JUN 21 2011

Dear Ms. Iritani:

Attached are comments on the U.S. Government Accountability Office's (GAO) draft report entitled, "MEDICAID AND CHIP: Most Physicians Serve Covered Children, but Experience Difficulty with Specialty Care Referrals" (GAO-11-624).

The Department appreciates the opportunity to review this report before its publication.

Sincerely,

A handwritten signature in cursive script that reads "Jim R. Esquea".

Jim R. Esquea
Assistant Secretary for Legislation

Attachment

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "MEDICAID AND CHIP: MOST PHYSICIANS SERVE COVERED CHILDREN, BUT EXPERIENCE DIFFICULTY WITH SPECIALTY CARE REFERRALS" (GAO-11-624)

The Department appreciates the opportunity to review and comment on this draft report.

The Centers for Medicare & Medicaid Services (CMS) is committed and taking steps to improve physician participation rates. As noted in your report, on May 6, 2011, CMS issued a Notice of Proposed Rule Making regarding Access to Covered Medicaid Services to create a standardized process for States to follow, in the fee-for-service context, as part of their broader efforts to assure that beneficiaries have access to covered health care services. We believe the information provided in this report will be of significant value to CMS as it continues its work with States and providers on these very important issues.

Although this report does not include formal recommendations for CMS, we do have the following comments:

- We question the way this report describes the willingness of physicians to serve children in Medicaid and CHIP. We are especially concerned about the portrayal of the finding that only about half of physicians accept *all* children newly enrolled in Medicaid and CHIP. It seems misleading to emphasize that only 47 percent of physicians are accepting *all* new Medicaid and CHIP patients, without also clarifying that 44 percent of physicians say they will accept *some* new Medicaid /CHIP patients; this leaves only 9 percent who say they will *not* accept any new Medicaid patients. In total, 91 percent of physicians say they will accept all or some new Medicaid/CHIP patients. When the report describes half accepting all new children, the reader automatically assumes the other half does *not* accept. The graphic does give the full picture, but the public and policy makers are likely to focus on the text, so we encourage GAO to explain the information in the text as well as the graphic.
- Only 30 percent of the responding physicians have a patient load that is over 40 percent children, while almost 60 percent have a patient load that is less than 20 percent children (and 38 percent of responding physicians have a patient load that is less than 10 percent children). (see Figure 10). It is important to qualify properly the sample of physicians, if the majority does not primarily work with children.

Appendix IV: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, Catina Bradley, Assistant Director; Martha Kelly, Assistant Director; Suzanne Worth, Assistant Director; Zhi Boon; Tim Bushfield; Sean DeBlieck; Laura Henry; Roseanne Price; Dan Ries; Hemi Tewarson; and Jennifer Whitworth.

Related GAO Products

Medicaid and CHIP: Reports for Monitoring Children's Health Care Services Need Improvement. [GAO-11-293R](#). Washington D.C.: April 5, 2011.

Oral Health: Efforts Under Way to Improve Children's Access to Dental Services, but Sustained Attention Needed to Address Ongoing Concerns. [GAO-11-96](#). Washington, D.C.: November 30, 2010.

Health Care Delivery: Features of Integrated Systems Support Patient Care Strategies and Access to Care, but Systems Face Challenges. [GAO-11-49](#). Washington, D.C.: November 16, 2010.

Medicaid Managed Care: CMS's Oversight of States' Rate Setting Needs Improvement. [GAO-10-810](#). Washington, D.C.: August 4, 2010.

Medicaid Preventive Services: Concerted Efforts Needed to Ensure Beneficiaries Receive Services. [GAO-09-578](#). Washington, D.C.: August 14, 2009.

Medicaid: Concerns Remain about Sufficiency of Data for Oversight of Children's Dental Services. [GAO-07-826T](#). Washington, D.C.: May 2, 2007.

Medicaid Managed Care: Access and Quality Requirements Specific to Low-Income and Other Special Needs Enrollees. [GAO-05-44R](#). Washington, D.C.: December 8, 2004.

Medicaid and SCHIP: States Use Varying Approaches to Monitor Children's Access to Care. [GAO-03-222](#). Washington, D.C.: January 14, 2003.

Medicaid: Stronger Efforts Needed to Ensure Children's Access to Health Screening Services. [GAO-01-749](#). Washington, D.C.: July 13, 2001.

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