

Medicaid

STATE REPORTS – FY 1997

Tennessee



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Medicaid State Report

TENNESSEE, FY 1997 (October 1, 1996 - September 30, 1997)

Division of
Health Policy Research

I. MEDICAID ENROLLEES AND EXPENDITURES			TENNESSEE			EAST SOUTH CENTRAL REGION~			UNITED STATES		
A. Federal Medical Assistance Percentage (FMAP)*	64.6% (FY97)	63.1% (FY99)	74.2% (Enhanced)	69.3% (FY97)	70.4% (FY99)	78.9% (Enhanced)	56.6% (FY97)	60.7% (FY99)	72.5% (Enhanced)		
B. Total Medicaid Managed Care Enrollment, 06/30/1997 (% of Total Medicaid Enrollment)	1,188,570 (100.0% of 1,188,570 **)			1,945,673 (70.6% of 2,756,775 **)			14,642,500 (47.5% of 30,813,957 **)				
C. Percent of Births Paid for by Medicaid, 1996***	48.0%			49.9%			38%				
D. FY 1997 and FY 1994-97 Averaged DSH^ Payment	\$0 M \$27 M			\$862 M \$706 M			\$15,937 M \$14,105 M				
# E. Enrollee, by Age, FY 1997	<u>Enrollees</u>		<u>Percent</u>	<u>Enrollees</u>		<u>Percent</u>	<u>Enrollees</u>		<u>Percent</u>		
All Enrollees	1,432,954		100.0%	3,362,844		100.0%	40,327,268		100.0%		
Children Under Age 21	653,484		45.6%	1,714,880		51.0%	22,729,432		56.4%		
Under Age 6	243,802		17.0%	712,365		21.2%	9,643,356		23.9%		
Infants	55,289		3.9%	142,861		4.2%	2,112,346		5.2%		
Age 1 Through 5	188,513		13.2%	569,504		16.9%	7,531,010		18.7%		
Age 6 Through 20	409,682		28.6%	1,002,515		29.8%	13,086,076		32.4%		
## F. Percent Enrollees and Expenditures^^ by Eligibility Category, FY 1997	<u>Enrollees</u>	<u>Expenditures</u>	<u>\$Per Enrollee</u>	<u>Enrollees</u>	<u>Expenditures</u>	<u>\$Per Enrollee</u>	<u>Enrollees</u>	<u>Expenditures</u>	<u>\$Per Enrollee</u>		
All Enrollees	1,423,468	\$2,886 M	\$2,028	3,362,844	\$8,219 M	\$2,444	40,327,268	\$137,720 M	\$3,415		
Children^^^	47.1%	19.6%	\$965	48.6%	15.8%	\$863	51.4%	16.7%	\$1,132		
Categorically Needy - Cash	23.4%	8.7%	\$866	16.2%	5.6%	\$919	21.4%	6.6%	\$1,081		
Categorically Needy - Noncash	4.4%	1.5%	\$807	26.5%	6.3%	\$631	15.4%	4.2%	\$950		
Medically Needy	7.2%	3.0%	\$986	1.4%	0.8%	\$1,619	5.3%	1.8%	\$1,199		
Other	12.1%	6.3%	\$1,203	4.5%	3.0%	\$1,799	9.3%	4.0%	\$1,510		
Adults	18.3%			14.2%	10.1%	\$1,890	20.6%	10.9%	\$1,844		
Categorically Needy - Cash	9.3%	5.9%	\$1,477	7.1%	3.3%	\$1,245	10.2%	5.4%	\$1,834		
Categorically Needy - Noncash	2.1%	1.3%	\$1,435	3.2%	3.0%	\$2,490	3.6%	2.4%	\$2,271		
Medically Needy	3.6%	1.9%	\$1,246	0.9%	0.8%	\$2,538	2.6%	1.4%	\$1,798		
Other	3.3%	NA	NA	3.0%	2.9%	\$2,575	4.1%	1.8%	\$1,523		
Blind and Disabled	23.2%	42.5%	\$4,252	25.8%	44.8%	\$4,600	16.6%	43.4%	\$9,152		
Aged	11.4%	27.5%	\$5,616	11.4%	29.3%	\$6,799	11.4%	29.0%	\$8,917		

Notes: ~ Includes AL, KY, MS & TN. * US averages of FY97 FMAP are weighted by FY97 expenditures. FY99 and Enhanced FMAPs are unweighted. ** Enrollment on 06/30/97 was 83.5% of total annual enrollment reported to HCFA on Form 2082 for FY 1997. *** Data unavailable for HI and VA. Data for AR, CT, GA, MT, NH & WV are from 1995 and not included in region and US averages. ^ Disproportionate Share Hospital Payments. # Enrollee by age data for HI are from FY 1996 and did not include managed care enrollees. ## Enrollees and expenditures by eligibility category data for AZ, HI, OK and TN are from FY 1996 and not included in regional and US averages. HI did not report managed care enrollee and expenditures data on Form HCFA-2082 in FY 1996. ^^ Includes Medicaid vendor payments, health plan premiums, capitation and HMO payments reported by the states to HCFA on Form HCFA-2082. ^^ As defined by HCFA based on age and other factors. 'na' Data unavailable. 'NA' Not Applicable.

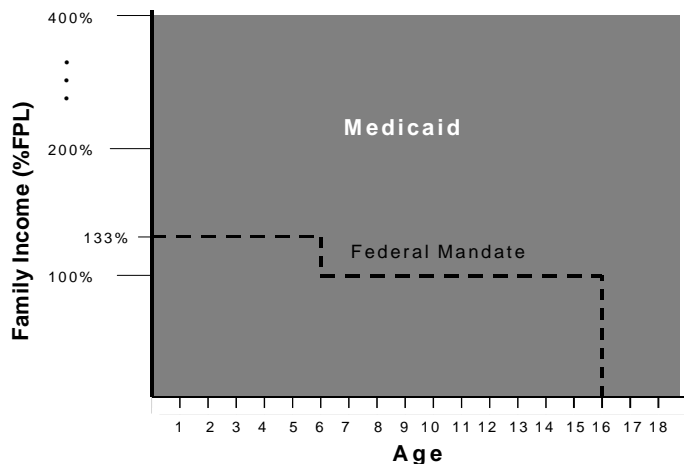
I. CONTINUED	TENNESSEE				EAST SOUTH CENTRAL REGION				UNITED STATES			
	<u>CHILDREN Under 21</u>		<u>ADULTS</u>		<u>CHILDREN Under 21</u>		<u>ADULTS</u>		<u>CHILDREN Under 21</u>		<u>ADULTS</u>	
#G. FFS* Payments by Age and Type of Service												
Physician Services	4.3%	0.6%	3.8%	4.5%	2.1%	3.6%						
Dental Services	0.0%	0.0%	0.4%	0.2%	0.5%	0.3%						
Other Practitioners	0.0%	0.0%	0.2%	0.1%	0.4%	0.4%						
EPSDT**	0.0%	NA	1.2%	0.0%	1.3%	0.0%						
Family Planning Services	0.0%	0.0%	0.0%	0.2%	0.1%	0.3%						
Rural Health Clinics	0.0%	0.0%	0.3%	0.3%	0.1%	0.1%						
Other Clinics	0.9%	2.0%	1.1%	1.3%	1.0%	2.4%						
Outpatient Hospital	0.0%	0.3%	1.7%	3.5%	1.6%	3.4%						
Inpatient Hospital	0.0%	0.6%	3.2%	5.9%	6.3%	12.2%						
Nursing Home/Intermediate Care	0.7%	27.9%	0.7%	28.7%	0.7%	32.1%						
Mental/Psychiatric Hospital Care	0.1%	0.3%	0.7%	0.3%	0.9%	0.7%						
Home Health Care	0.0%	0.0%	0.5%	3.3%	1.4%	8.6%						
Lab and X-Ray	0.0%	0.1%	0.2%	0.5%	0.2%	0.6%						
Drug	0.0%	0.0%	1.4%	8.0%	1.4%	8.3%						
Other Services	19.6%	42.4%	9.4%	18.5%	3.5%	5.5%						
Total	25.6%	74.4%	24.8%	75.2%	21.5%	78.5%						
#H. Average FFS* Payments per User of Service and Percent of Enrollees Using Each Service												
	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+	Per-user	%Use+
Physician Services	\$4,408	4.4%	\$107	21.0%	\$466	38.3%	\$558	39.5%	\$248	45.7%	\$428	57.9%
Dental Services	\$285	0.0%	\$0	0.0%	\$186	10.1%	\$193	5.9%	\$166	17.5%	\$191	11.0%
Other Practitioners	\$16	0.0%	\$23	5.3%	\$129	5.6%	\$76	7.4%	\$264	8.1%	\$151	18.3%
EPSDT**	\$42	0.0%			\$278	20.0%	\$112	0.7%	\$255	27.5%	\$115	0.6%
Family Planning Services	\$25	0.0%	\$34	0.0%	\$124	1.7%	\$294	3.7%	\$123	2.6%	\$233	8.4%
Rural Health Clinics	\$37	0.0%	\$66	0.9%	\$217	7.1%	\$277	4.5%	\$202	3.6%	\$233	3.3%
Other Clinics	\$1,261	3.3%	\$1,126	6.5%	\$672	7.8%	\$851	7.3%	\$552	9.9%	\$1,266	13.5%
Outpatient Hospital	\$124	0.1%	\$96	12.9%	\$327	24.9%	\$726	23.4%	\$304	28.0%	\$591	39.8%
Inpatient Hospital	\$1,144	0.0%	\$364	6.4%	\$3,351	4.5%	\$2,343	12.2%	\$4,628	7.3%	\$5,029	16.9%
Nursing Home/Intermediate Care	\$72,247	0.0%	\$15,934	6.4%	\$71,017	0.0%	\$31,672	4.4%	\$58,410	0.1%	\$23,922	9.3%
Mental/Psychiatric Hospital Care	\$10,193	0.0%	\$20,119	0.1%	\$8,800	0.4%	\$21,921	0.1%	\$19,642	0.3%	\$31,204	0.2%
Home Health Care	\$52	0.0%	\$362	0.1%	\$1,392	1.7%	\$2,692	6.0%	\$3,554	2.1%	\$7,582	7.8%
Lab and X-Ray	\$11	0.1%	\$30	12.4%	\$54	17.0%	\$141	15.8%	\$60	20.6%	\$122	34.3%
Drug	\$3,354	0.0%	\$352	0.0%	\$167	38.5%	\$1,006	38.7%	\$165	45.4%	\$984	58.9%
Other Services	\$479	186.6%	\$819	189.3%	\$3,534	12.5%	\$6,880	13.2%	\$818	22.7%	\$1,172	32.4%
All Services	\$1,221	98.9%	\$2,791	98.7%	\$1,291	90.3%	\$3,865	95.1%	\$1,523	76.5%	\$6,352	86.5%

Notes: # FFS payments by type of service data for HI, OK and TN are from FY 1996 and not included in regional and US averages. Utilization by type of service data for HI, OK and TN are from FY 1996 and not included in regional and US averages. When less than 0.05% of expenditures is accounted for by a type of service, it is rounded to 0.0%. * FFS (fee-for-service) payments. Except for Tennessee, which appears to be reporting capitation payments as Vendor Payments for Other services, payments in Sections G and H do not include i) DSH payments(15.9 Billion), and ii) health plan premiums, capitation and HMO payments(14.1 Billion). FFS payments totaled \$124 Billion nationally in FY 1997. ** EPSDT services are known to be under-reported in many states due to complexities in the reporting process. *** Any other medical or remedial care recognized under state law and specified by the Secretary, including but not limited to transportation, physical and occupational therapy, dentures, prosthetic devices, rehabilitative and hospice services. Note that Tennessee includes capitation, HMO and plan premium payments as expenditures for Other Services. + Percents may sum to exceed 100 because enrollees may use multiple services. Service recipients in managed care plans may not be counted. 'na' Data unavailable. 'NA' Not applicable.

I. CONTINUED	TENNESSEE			EAST SOUTH CENTRAL REGION			UNITED STATES		
# I. Enrollee Under Age 21, by Race and Age, FY 1997	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>	
Non-hispanic White	401,590	61.5%	935,478	54.6%	9,292,048	40.9%			
Ages 0 Through 5	146,294	36.4%	387,082	41.4%	3,943,710	42.4%			
Ages 6 Through 20	255,296	63.6%	548,396	58.6%	5,348,339	57.6%			
Non-hispanic Black	229,540	35.1%	728,008	42.5%	6,626,394	29.2%			
Ages 0 Through 5	85,765	37.4%	297,976	40.9%	2,640,572	39.8%			
Ages 6 Through 20	143,775	62.6%	430,032	59.1%	3,985,823	60.2%			
Hispanic	7,773	1.2%	15,615	0.9%	4,699,339	20.7%			
Ages 0 Through 5	4,288	55.2%	9,149	58.6%	2,201,446	46.8%			
Ages 6 Through 20	3,485	44.8%	6,466	41.4%	2,497,893	53.2%			
Other	14,581	2.2%	35,779	2.1%	2,111,649	9.3%			
Ages 0 Through 5	7,455	51.1%	18,158	50.8%	857,628	40.6%			
Ages 6 Through 20	7,126	48.9%	17,621	49.2%	1,254,021	59.4%			
II. POPULATION AND CHILD HEALTH DATA									
A. Total Population, 1997	5,423,117	100.0%	16,419,635	100.0%	267,645,341	100.0%			
Under Age 21	1,573,640	29.0%	4,900,741	29.8%	80,988,943	30.3%			
Under Age 6	439,190	8.1%	1,358,278	8.3%	23,259,546	8.7%			
Infants	70,263	1.3%	218,310	1.3%	3,810,851	1.4%			
Age 1 Through 5	368,927	6.8%	1,139,968	6.9%	19,448,695	7.3%			
Age 6 Through 20	1,134,450	20.9%	3,542,463	21.6%	57,729,397	21.6%			
Age 21 and Older	3,849,477	71.0%	11,518,894	70.2%	186,656,398	69.7%			
B. Infant Mortality, Low Birth Weight and Prenatal Care, 1996	<u>Total</u>	<u>White</u>	<u>Other</u>	<u>Total</u>	<u>White</u>	<u>Other</u>	<u>Total</u>	<u>White</u>	<u>Other</u>
Infant Mortality per 1,000 Live Births	8.5	6.7	14.4	9.3	7.3	14.3	7.3	6.1	12.1
Neonatal Mortality	5.2	4.2	8.6	5.9	4.6	9.4	4.8	4.0	7.8
Postneonatal Mortality	3.3	2.5	5.7	3.4	2.7	4.9	2.5	2.1	4.3
% Low Birth Weight Infants									
Under 2500 Grams	8.8%	7.3%	13.7%	8.9%	7.3%	13.2%	7.4%	6.3%	11.5%
Under 1500 Grams	1.7%	1.3%	3.2%	1.7%	1.3%	3.0%	1.4%	1.1%	2.5%
% Not Receiving Prenatal Care									
In First Trimester	16.7%	13.3%	28.0%	17.7%	13.1%	29.8%	18.1%	16.0%	26.7%
Until Third Trimester or Not At All	3.7%	2.4%	7.9%	3.6%	2.4%	6.9%	4.0%	3.3%	6.7%
C. % Population Without Access to Primary Care Provider, 1996	28.5%			34.3%			16.3%		
D. Counties Designated Medically Underserved Areas*, 1996	94	(98.9%)		342	(94.0%)		2,470	(82.3%)	
E. Counties Designated Health Professional Shortage Areas*, 1996	46	(48.4%)		226	(62.1%)		1,925	(65.4%)	

Notes: # Race may not be reported consistently across state. Maine, for example, reported all enrollees as 'Other'. Data for HI are from FY 1996, do not include managed care enrollees and are not included in regional and US summaries. * Defined by the Bureau of Primary Health Care. Procedures and criteria for designation are available at " <http://www.bphc.hrsa.dhhs.gov/dsd/dsd11.htm#contents>".

III. MEDICAID AND SCHIP PROGRAM ELIGIBILITY BASED ON FAMILY INCOME AS A PERCENTAGE OF THE FEDERAL POVERTY LEVEL (%FPL), AUGUST 1999



A. Title XIX Medicaid Eligibility and Expansions

By federal mandate, all states must cover pregnant women and children to age 6 to 133% of the Federal Poverty Level (FPL) and children through age 15 up to 100% FPL, as of October 1, 1998.

In addition, 1996 federal welfare legislation requires states to use the AFDC income eligibility levels in effect as of July 16, 1996 to determine Medicaid eligibility. This establishes a state specific minimum eligibility level for poor children ages 16 through 18 (54% FPL for the state of Tennessee, an equivalent of \$7495 for a family of 3 in 1999).

Tennessee expanded TennCare, its Title XIX Medicaid program, to all pregnant women, infants and children through age 18 to 400% FPL. [41] The Medically Needy were covered to 23% FPL in 1997. [34] Brackets ([]) indicate total number of states with expansions or Medically Needy programs.

An estimated 77.8% of 175K uninsured children under age 19 in the state of Tennessee were Medicaid eligible but unenrolled during 1997. A full report of Medicaid and SCHIP eligibility of uninsured children in the states can be downloaded from 'http://www.aap.org/advocacy/stateelg99.htm'.

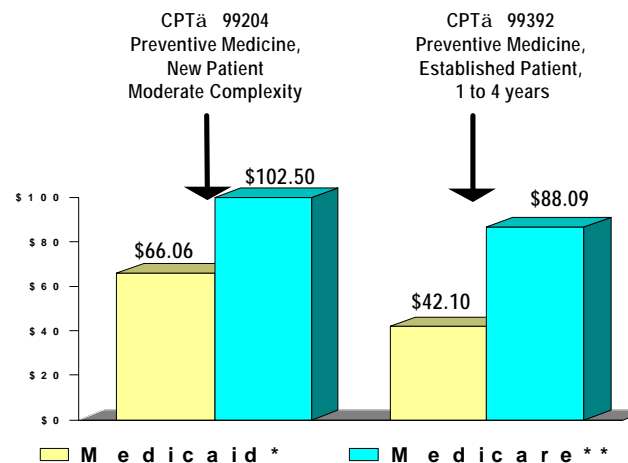
B. Title XXI Medicaid/SCHIP Program Eligibility:

Tennessee's Title XXI program has not been approved. Dec 98 - Jun 99 Title XXI program enrollment figures are available by state on the Kaiser Family Foundation website, at 'http://207.22.102.105/content/1999/2153/'.

More information about Medicaid and SCHIP activities in the states are available from reports published by the AAP's Department of Chapter and State Affairs: the SCHIP Update, available at "http://www.aap.org/advocacy/schiprep.htm", and the Access Issues section of the 1998 State Legislation Report, available at 'http://www.aap.org/advocacy/98stateleg rpt.pdf'.

IV. MEDICAID SERVICES REIMBURSEMENT

Comparison of 1998/1999 Medicaid* and Medicare Reimbursement Rates for Two Services Commonly Used by Pediatricians**



* Tennessee does not have a Medicaid fee-for-service plan. Presented above are US averages based on data reported to the AAP in the 1998/1999 Medicaid Reimbursement Survey by 49 states and the District of Columbia. ** Medicare Payment Schedule™ Physician's Current Procedural Terminology (CPT) five-digit codes, nomenclature and other data are copyright 1998 American Medical Association (AMA). All Rights Reserved. No fee schedules, basic unit, relative values or related listings are included in CPT. The American Academy of Pediatrics and the AMA assume no liability for the data contained herein.

A report compiled by the AAP's Division of Health Policy Research documents state reimbursement rates for more than 100 services commonly used by pediatricians. This report shows that services provided under Medicaid are typically reimbursed at 20 to 50 percent less than the same services provided under Medicare. The full report can be downloaded from "http://www.aap.org/research/medreim.htm".

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- II B. Monthly Vital Statistics Report, Vol. 46, No. 11(S), September 11, 1997. National Vital Statistics Report, Vol. 47, No. 9, November 10, 1998. National Center for Health Statistics, Center for Disease Control. Additional statistics provided by staff from the NCHS Mortality and Natality Statistics Branches.
- II C-E. HRSA State Profiles. Health Resources and Services Administration, April 1999. Downloadable from <http://www.hrsa.gov/profiles.htm> .

- III A-B. "Medicaid and SCHIP Income Eligibility Guidelines for Children" and "Title XXI Medicaid Expansion Population and Date of Implementation", reports published by the Department of Chapter and State Affairs, American Academy of Pediatrics, August 1999. State Facts: Health Needs and Medicaid Financing. The Kaiser Commission on Medicaid and the Uninsured, February 1998. American Academy of Pediatrics analysis of March Demographic File, Current Population Survey, 1998.

- IV. 1998/1999 Medicaid Reimbursement Survey, American Academy of Pediatrics, 1999.

ORDERING INFORMATION

Complete sets of the state reports can be purchased by contacting the American Academy of Pediatrics, Division of Health Policy Research, 141 Northwest Point Blvd., PO. Box 927, Elk Grove Village, Illinois, 60007; (800) 433-9016, extension 7627. Contact Suk-fong Tang, PhD, Division of Health Policy Research, with comments about the report; contact Jean Cilik, Department of Chapter and State Affairs, for Medicaid questions and advocacy advice. FY1994 to FY 1997 Medicaid State Reports are also available in Adobe Acrobat PDF format on the Research page of the AAP Web site, at <http://www.aap.org/research/medicaid.htm> .

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