Periodic Survey #33 was initiated by the Committee on Child Health Financing to gather data regarding pediatricians’ involvement in managed care for the development of educational materials and to respond to members’ inquiries in this area.

PS#33 was an eight-page self-administered questionnaire sent to a random sample of 1,619 active US FAAPs. The original mailing and five follow-up mailings to recontact nonrespondents were conducted from January to May 1996. In addition, 100 randomly selected nonrespondents were contacted by telephone in April to ask for their response. We received a total of 1,035 questionnaires for a response of 63.9%. The managed care questions were addressed to the 90% of post-residency respondents who provide direct patient care (n=731).

Patients’ Health Insurance Status

On average, pediatricians say their patients are covered by the following health insurance sources: 55% are covered by private or commercial insurance, 30% are covered by Medicaid, 8% are insured by Champus, corporate self-insurance or other source, and 8% are uninsured.

- Two-thirds of pediatricians (67%) report that the majority of their privately insured patients (>50%) are covered by a managed care system (ie, HMO, PPO, IPA, etc); 33% say less than half of their privately insured patients are in managed care. Thirty-seven percent of pediatricians say most of their privately insured patients (>50%) are covered by traditional fee-for-service; for 63% of pediatricians, less than half of these patients are in nonmanaged care plans.

- About two-fifths of pediatricians (42%) say the majority of their Medicaid patients (>50%) are covered by a managed care system, while 45% report the majority of their Medicaid patients are covered by a non-managed care system.

Pediatricians’ Income Arrangements

About half of pediatricians report receiving income from a salaried arrangement (38% salary only and 19% salary with performance-based incentive). Nearly half (49%) receive income from traditional fee-for-service; slightly fewer (42%) receive income from discounted fee-for-service. Three in ten pediatricians (29%) receive income from a prepaid, capitated, nonsalaried plan and 14% are paid by prepaid, capitated, salaried arrangement.

Participation in Managed Care Health Plans

- Most pediatricians (90%) have at least some patients who are in a managed care health plan. Overall, pediatricians have participated in managed care an average of 5 years and 7 months and are currently under contract to a median number of 5 managed care plans.

- Pediatricians report a range of providers are included in their managed care plans: 71% say all their managed care plans include the services of an emergency department; about 60% say all their managed care plans include pediatric and non-pediatric medical or surgical specialists, and pediatric inpatient care in a specialized pediatric hospital. Only 40%, however, say all of the managed care plans with whom they have contracts include the services of non-physician specialists such as a physical or speech therapists.
Most pediatricians (87% or more) say they refer their managed care patients to pediatric inpatient care, non-pediatric inpatient care, and to medical/surgical specialists or subspecialists just as frequently as they refer their non-managed care patients. Thirteen percent of pediatricians report they refer managed care patients for non-physician specialty services less frequently than they refer traditional fee-for-service patients.

Equal proportions (50%) of pediatricians say their managed care plans restrict/do not restrict referrals to pediatric inpatient care. More than half of pediatricians report their managed care plans always or sometimes restrict referrals to non-pediatric inpatient care (54%), pediatric medical subspecialists (56%), pediatric surgical specialists (51%) or non-pediatric medical/surgical specialists (56%). About two-thirds of pediatricians (64%) report referral restrictions to emergency departments; more than two-thirds (69%) say managed care health plans sometimes or always restrict referrals to non-physician specialists.

Special Needs/Chronically Ill Children in Managed Care Plans

Eighty-three percent of pediatricians have special needs or chronically ill patients enrolled in managed care health plans. Most pediatricians say there are pediatric subspecialists (88%) and specialized pediatric inpatient care (81%) available in their community to accommodate special needs’ referrals.

Overall, the majority of pediatricians say they sometimes encounter problems when managing special needs or chronically ill children in both managed care plans and traditional fee-for-service plans. However:

- Inadequate reimbursement or capitation rate for chronically ill children is the most frequently named problem pediatricians always encounter in managed care plans (41%); only 22% said this is always a problem for their patients in nonmanaged care plans.

Use of Practice Parameters in Managed Care Health Plans

- More than 60% of pediatricians who participate in managed care say none of their plans require use of practice parameters, practice guidelines or clinical pathways; 30% say some of their plans require use of guidelines, and 8% are required to use them in all of their managed care plans. More than 50% of pediatricians say they choose to use management guidelines in all or some of their managed care plans.

- Sixty-five percent of pediatricians who participate in managed care use some type of practice parameter. Among these pediatricians, more than half (52%) say the management guidelines they use are developed by the AAP; 40% say the parameters/guidelines they use are developed by a managed care plan.

Changes in Practice as a Result of Participation in Managed Care

- The majority of pediatricians (60%) say the amount of time spent with a patient and their family has not changed since participating in managed care. Thirty-one percent of pediatricians reported a decrease in the amount of time spent with patients and their families: prior to managed care participation, they personally spent an average of 26 minutes with a patient and family for a new patient visit, whereas they currently spend 20 minutes with patient/family for the same type of visit.

- About four in ten pediatricians say there has been no change in the number of patients in their practice and no change in the number of patient visits per week since participation in managed care. However, 48% say the number of patients has increased and 47% say the number of patient visits has increased. Those who say the number of patient visits has increased report an average of 116 visits per week prior to managed care participation compared to a current 140 visits per week.

- While 44% of pediatricians say their income has not changed since participation in managed care, 36% say it has decreased and 20% say it has increased.

KG O'Connor
10/25/96