

# Medicaid

STATE REPORTS – FY 1998

Tennessee

 Division of  
Health Policy Research

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# Medicaid State Report

TENNESSEE, FY 1998 (October 1, 1997 - September 30, 1998)



I. MEDICAID ENROLLEES AND EXPENDITURES				TENNESSEE			EAST SOUTH CENTRAL REGION~			UNITED STATES		
A. Federal Medical Assistance Percentage (FMAP)*		63.4% (FY98)	63.1% (FY00)	74.2% (Enhanced)		70.0% (FY98)	70.0% (FY00)	79.0% (Enhanced)		60.7% (FY98)	60.7% (FY00)	72.5% (Enhanced)
B. Total Medicaid Managed Care Enrollment, 06/30/1998 (% of Total Medicaid Enrollment)		1,268,769 (100.0% of 1,268,769 **)				2,109,836 (78.7% of 2,682,515)				15,760,205 (52.5% of 30,009,674)		
C. Percent of Births Paid for by Medicaid, 1997***		48%				47%				35%		
D. FY 1998 and FY 1994-98 Averaged DSH^ Payment		\$0 M \$21 M				\$772 M \$719 M				\$14,958 M \$14,276 M		
E. Enrollees, by Age, FY 1998#		<u>Enrollees</u>		<u>Percent</u>		<u>Enrollees</u>		<u>Percent</u>		<u>Enrollees</u>		<u>Percent</u>
All Enrollees		1,454,799		100.0%		3,263,176		100.0%		40,377,603		100.0%
<b>Children Under Age 21</b>		<b>669,063</b>		<b>46.0%</b>		<b>1,667,788</b>		<b>51.1%</b>		<b>22,331,022</b>		<b>56.4%</b>
Under Age 6		228,552		15.7%		658,669		20.2%		9,220,363		22.8%
<i>Infants</i>		35,630		2.4%		123,064		3.8%		2,014,962		5.0%
<i>Age 1 Through 5</i>		192,922		13.3%		535,605		16.4%		7,205,401		17.8%
Age 6 Through 20		440,511		30.3%		1,009,119		30.9%		13,110,659		32.5%
F. Percent Enrollees and Expenditures^^ by Eligibility Category, FY 1998##		<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		<b>1,454,799</b>	<b>\$3,167 M</b>	<b>\$2,177</b>		<b>3,263,176</b>	<b>\$8,937 M</b>	<b>\$2,739</b>		<b>40,377,603</b>	<b>\$142,058 M</b>	<b>\$3,518</b>
Children^^^		38.4%	16.9%	\$839		44.1%	16.8%	\$935		50.6%	16.4%	\$1,130
Categorically Needy - Cash		7.8%	3.5%	\$857		9.9%	4.1%	\$1,004		18.4%	6.0%	\$1,137
Categorically Needy - Noncash		20.7%	7.2%	\$662		26.0%	8.6%	\$809		17.4%	4.6%	\$910
Medically Needy		2.6%	1.1%	\$857		2.0%	1.0%	\$1,234		4.5%	1.7%	\$1,294
Other		7.3%	5.1%	\$1,315		6.1%	3.1%	\$1,256		10.2%	4.2%	\$1,418
Adults		34.5%	22.9%	\$1,261		22.2%	12.8%	\$1,416		21.8%	10.7%	\$1,704
Categorically Needy - Cash		3.4%	2.5%	\$1,433		4.4%	3.0%	\$1,668		8.8%	4.5%	\$1,796
Categorically Needy - Noncash		21.7%	14.3%	\$1,259		11.6%	6.8%	\$1,440		5.6%	3.2%	\$1,987
Medically Needy		4.8%	2.7%	\$1,065		2.7%	1.3%	\$1,219		2.6%	1.3%	\$1,717
Other		4.6%	3.3%	\$1,352		3.5%	1.7%	\$1,170		4.8%	1.6%	\$1,199
Blind and Disabled		21.1%	35.8%	\$3,235		24.6%	42.7%	\$4,260		17.5%	43.6%	\$8,680
Aged		6.1%	24.4%	\$7,641		9.2%	27.8%	\$7,432		10.2%	29.3%	\$9,968

Notes: ~ Includes AL, KY, MS & TN. \* Regional and US averages of FY98 FMAP are weighted by FY98 expenditures. FY00 and Enhanced FMAPs are unweighted. \*\* Enrollment on 06/30/98 was 87.2% of total annual enrollment state reported to HCFA on Form2082 for FY 1998. \*\*\* Data for GA and MT are from 1996 and not included in regional and state averages. Data unavailable for DC, HI and VA. ^ Disproportionate Share Hospital Payments. # Age breakdowns for OK are from FY 1996 and not included in regional and US averages. ## Eligibility category breakdowns for HI and OK are from FY 1996 and not included in regional and US averages. ^^ 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. Payments by Age and Type of Service#												
Physician Services	2.7%		2.6%		2.9%		3.6%		1.5%		1.8%	
Dental Services	0.0%		0.0%		0.3%		0.1%		0.4%		0.2%	
Other Practitioners	0.0%		0.0%		0.1%		0.1%		0.2%		0.2%	
EPSDT*	0.0%		NA		1.2%		0.4%		0.9%		0.1%	
Family Planning Services	0.0%		0.0%		0.0%		0.0%		0.1%		0.1%	
Clinic Services	0.0%		0.0%		1.4%		1.0%		0.9%		1.1%	
Outpatient Hospital	0.0%		0.0%		1.3%		1.7%		1.3%		1.8%	
Inpatient Hospital	0.0%		0.0%		2.8%		3.6%		5.1%		6.4%	
Nursing Home/Intermediate Care	0.5%		27.7%		0.6%		27.1%		0.6%		24.5%	
Mental Health Facility Services	0.0%		0.0%		0.8%		0.6%		0.8%		1.3%	
Personal Care / Home Health Services	0.4%		1.6%		0.8%		2.5%		2.1%		4.7%	
Lab and X-Ray	0.0%		0.0%		0.2%		0.2%		0.2%		0.3%	
Prescribed Drugs	0.0%		0.0%		1.3%		6.7%		1.2%		6.1%	
Prepaid Health Care	20.2%		25.9%		9.2%		10.2%		6.2%		4.3%	
Primary Care Case Management Services	0.0%		0.0%		0.0%		0.0%		0.1%		0.0%	
Other Services**	0.0%		0.0%		0.8%		0.8%		1.6%		2.0%	
Reporting Variance~	0.0%		18.4%		0.7%		16.1%		0.2%		20.0%	
<b>All Services</b>	<b>23.8%</b>		<b>76.2%</b>		<b>24.3%</b>		<b>75.7%</b>		<b>23.3%</b>		<b>76.7%</b>	
H. Average 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	\$3,817	2.9%	\$521	17.6%	\$387	36.4%	\$488	36.4%	\$242	39.3%	\$384	37.8%
Dental Services	\$0	0.0%	\$0	0.0%	\$158	8.7%	\$154	2.9%	\$172	13.7%	\$204	7.7%
Other Practitioners	\$18	0.0%	\$18	0.0%	\$100	4.3%	\$64	5.5%	\$179	6.7%	\$110	13.2%
EPSDT*	\$0	0.0%	NA	0.0%	\$328	17.5%	\$1,093	1.7%	\$224	26.1%	\$308	3.5%
Family Planning Services	\$0	0.0%	\$0	0.0%	\$113	1.5%	\$118	1.4%	\$159	2.6%	\$141	3.3%
Clinic Services	\$78	0.0%	\$253	0.0%	\$505	13.1%	\$699	7.3%	\$469	11.4%	\$874	9.7%
Outpatient Hospital	\$0	0.0%	\$0	0.0%	\$290	21.5%	\$616	14.1%	\$333	24.7%	\$582	24.6%
Inpatient Hospital	\$0	0.0%	\$1,519	0.0%	\$3,828	3.5%	\$2,340	7.8%	\$4,826	6.5%	\$4,807	10.5%
Nursing Home/Intermediate Care	\$74,955	0.0%	\$12,980	7.5%	\$53,867	0.1%	\$16,816	8.1%	\$63,002	0.1%	\$21,867	8.9%
Mental Health Facility Services	\$0	0.0%	\$0	0.0%	\$8,674	0.4%	\$12,137	0.2%	\$18,105	0.3%	\$28,065	0.4%
Personal Care / Home Health Services	\$28,052	0.1%	\$29,378	0.2%	\$917	4.2%	\$1,802	6.9%	\$1,752	7.3%	\$3,125	11.9%
Lab and X-Ray	\$0	0.0%	\$0	0.0%	\$55	14.2%	\$121	9.0%	\$66	17.6%	\$119	18.7%
Prescribed Drugs	\$0	0.0%	\$36	0.0%	\$182	35.5%	\$1,205	28.0%	\$188	41.0%	\$1,205	40.3%
Prepaid Health Care	\$853	98.2%	\$1,411	64.7%	\$943	46.9%	\$1,449	35.4%	\$771	50.0%	\$1,286	26.5%
Primary Care Case Management Services	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$28	12.2%	\$43	4.2%
Other Services**	\$70	0.0%	\$131	0.0%	\$382	9.9%	\$473	8.7%	\$799	12.2%	\$799	19.6%
<b>All Services</b>	<b>\$999</b>	<b>98.8%</b>	<b>\$2,708</b>	<b>99.2%</b>	<b>\$1,272</b>	<b>92.0%</b>	<b>\$3,907</b>	<b>97.4%</b>	<b>\$1,571</b>	<b>92.3%</b>	<b>\$6,493</b>	<b>93.7%</b>

Notes: When less than 0.05% of expenditures is accounted for by a type of service, it is rounded to 0.0%. # Data for HI and OK are from FY 1996. Breakdowns by Type of Service for NE are from FY 1997. These are not included in regional and US totals. DSH payments not included. \* EPSDT services are known to be under-reported on the HCFA2082 in many states due to complexities in the reporting process. EPSDT participation rate for Tennessee in 1997 was 32% according to the HCFA416. \*\* Include Home and Community Waiver, and 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. ~ A positive variance reflects expenditures not reported as any service type. A negative variance indicates that expenditures for all service types sum to exceed total expenditures state reported for age group. +Percents may sum to exceed 100 since enrollees may use multiple services. 'na' Data unavailable. 'NA' Not applicable.

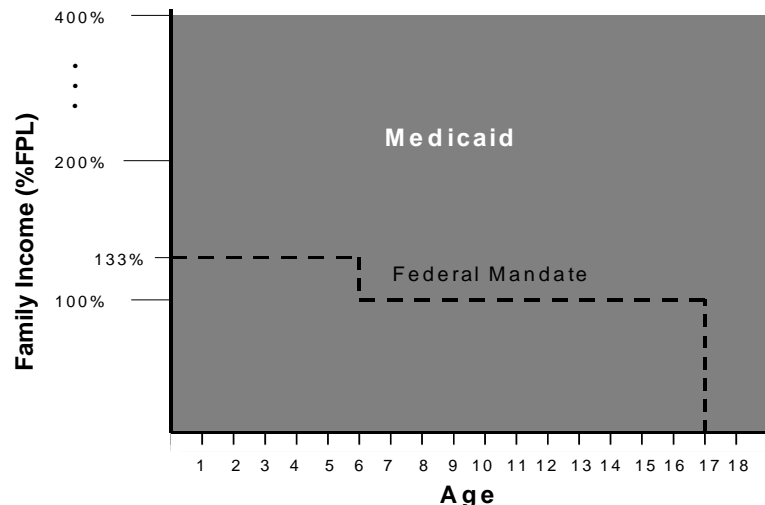
I. CONTINUED	TENNESSEE		EAST SOUTH CENTRAL REGION		UNITED STATES	
I. Enrollees Under Age 21, by Race and Age, FY 1998#	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>	<u>Enrollees</u>	<u>Percent</u>
Non-hispanic White	410,359	61.3%	910,288	54.6%	8,942,666	40.0%
Ages 0 Through 5	137,309	33.5%	357,170	39.2%	3,674,647	41.1%
Ages 6 Through 20	273,050	66.5%	553,118	60.8%	5,268,019	57.6%
Non-hispanic Black	232,858	34.8%	700,923	42.0%	6,572,457	29.4%
Ages 0 Through 5	79,077	34.0%	273,800	39.1%	2,493,510	37.9%
Ages 6 Through 20	153,781	66.0%	427,123	60.9%	4,078,947	62.1%
Hispanic	9,588	1.4%	18,488	1.1%	4,814,500	21.6%
Ages 0 Through 5	5,071	52.9%	10,522	56.9%	2,211,872	45.9%
Ages 6 Through 20	4,517	47.1%	7,966	43.1%	2,602,628	54.1%
Other	16,258	2.4%	38,089	2.3%	2,001,399	9.0%
Ages 0 Through 5	7,095	43.6%	17,177	45.1%	840,334	42.0%
Ages 6 Through 20	9,163	56.4%	20,912	54.9%	1,161,065	58.0%

**II. POPULATION AND CHILD HEALTH DATA**

<b>A. Total Population, 1998</b>	<b>5,503,671</b>	<b>100.0%</b>	<b>16,590,436</b>	<b>100.0%</b>	<b>270,002,354</b>	<b>100.0%</b>
Under Age 21	1,593,214	28.9%	4,925,912	29.7%	81,664,866	30.2%
Under Age 6	437,418	7.9%	1,349,145	8.1%	23,078,513	8.5%
Infants	70,423	1.3%	217,706	1.3%	3,800,560	1.4%
Age 1 Through 5	366,995	6.7%	1,131,439	6.8%	19,277,953	7.1%
Age 6 Through 20	1,155,796	21.0%	3,576,767	21.6%	58,586,353	21.7%
Age 21 and Older	3,910,457	71.1%	11,664,524	70.3%	188,337,488	69.8%
<b>B. Infant Mortality, Low Birth Weight and Prenatal Care, 1997</b>	<b>Total</b>	<b>White</b>	<b>Other</b>	<b>Total</b>	<b>White</b>	<b>Other</b>
<b>Infant Mortality per 1,000 Live Births</b>	8.6	6.5	15.4	8.9	6.9	14.1
Neonatal Mortality	5.1	3.8	9.2	5.5	4.3	8.8
Postneonatal Mortality	3.5	2.6	6.2	3.4	2.7	5.3
<b>% Low Birth Weight Infants</b>						
Under 2500 Grams	9.1	7.6	14.0	9.1	7.5	13.4
Under 1500 Grams	1.7	1.2	3.1	1.8	1.3	3.1
<b>% Not Receiving Prenatal Care</b>						
In First Trimester	15.9	12.7	26.5	16.5	12.2	28.0
Until Third Trimester or Not At All	3.6	2.5	7.4	3.5	2.3	6.7
<b>C. Pediatrician and Other Child Health Physician Ratios, 1998</b>	<b>Total</b>	<b>% Child Population<sup>+</sup></b>	<b>Total</b>	<b>% Child Population<sup>+</sup></b>	<b>Total</b>	<b>% Child Population<sup>+</sup></b>
<i>Children living in Health Service Areas* with:</i>						
Fewer than 55 Pediatricians per 100K Children ~	593,125	45%	2,587,072	61%	34,317,300	50%
Fewer than 82 Child Health Physician per 100K Children ~	791,752	59%	2,907,344	69%	34,202,498	50%

Notes: # Race categories may be inconsistent across state. Maine, for example, reported all enrollees as 'Other'. # Data for OK are from FY1996 and not included in regional and state totals. \* Counties are grouped into Health Service Areas(HSAs, developed by the National Center for Health Statistics) based on commuting patterns within and across counties. ~ Median ratio for US. + Percents less than 0.5% are rounded to 0%. 'na' Data unavailable.

**III. MEDICAID AND SCHIP PROGRAM ELIGIBILITY BASED ON FAMILY INCOME AS A PERCENTAGE OF THE FEDERAL POVERTY LEVEL (%FPL), June 2000**



**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 16 up to 100% FPL, as of October 1, 1999. 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 17 through 18 (54% FPL for Tennessee, an equivalent of \$7,641 for a family of 3 in 2000).

Tennessee expanded TennCare, its Title XIX Medicaid program, to all pregnant women, infants and children through age 18 to 400% FPL. The Medically Needy were covered up to 26% FPL in 1998. As of 1998, there were a total of 41 states with Title XIX Medicaid expansions and 38 states covered the Medically Needy.

An estimated 94% of 162K uninsured children under age 19 in Tennessee were Medicaid eligible but unenrolled during 1998. Reports of children's health insurance status and Medicaid and SCHIP eligibility of uninsured children in the states can be downloaded from '<http://www.aap.org/advocacy/schipef.htm>'.

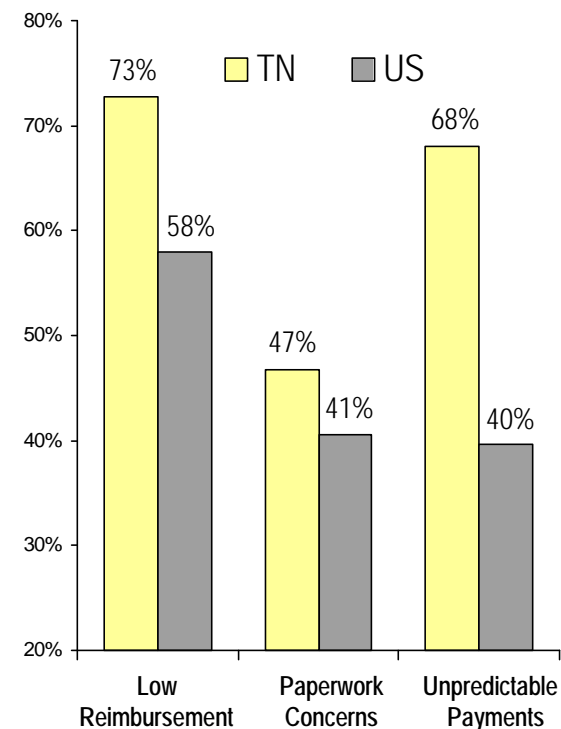
**B. Title XXI Medicaid/SCHIP Program Eligibility**

Tennessee's Title XXI program has not been approved.

More information about SCHIP activities in the states, including the SCHIP Update, are available from reports published by the AAP's Department of Chapter and State Affairs, available at "<http://www.aap.org/advocacy/schip.htm>". An information clearinghouse on SCHIP program evaluation can be accessed at "<http://www.aap.org/advocacy/evaluation.htm>".

**IV. BARRIERS TO PEDIATRICIAN PARTICIPATION IN MEDICAID, AAP SURVEY, 2000**

Percent Pediatricians Rating Reason "Very Important" for Limiting Medicaid Participation



A survey sent to a random sample of 13,000 Fellows of the American Academy of Pediatrics in early 2000 found that low reimbursement, paperwork concerns, and unpredictable payments were the top 3 reasons pediatricians cited for limiting participation in the Medicaid program. Complete state reports of this survey and other studies conducted by the AAP Division of Health Policy Research can be accessed from the AAP Research page at "<http://www.aap.org/research>".

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Medicaid State Reports, FY 1994 through 1998, are available in Adobe Acrobat PDF format on the Research page of the AAP Web site, at <http://www.aap.org/research/medicaid.htm>. Contact Suk-fong Tang, PhD, Division of Health Policy Research, with comments about the report; contact Dan Walter, Department of Chapter and State Affairs, for Medicaid questions and advocacy advice.