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MEDICAID AND SCHIP

States Use Varying Approaches to Monitor Children's Access to Care

Highlights of GAO-03-222, a report to Representatives Sherrod Brown; John Conyers, Jr.; Diana DeGette; John D. Dingell; Gene Green; William J. Jefferson; Sander M. Levin; and Ted Strickland

Why GAO Did This Study

Over 25 million children have health insurance coverage through Medicaid or the State Children's Health Insurance Program (SCHIP). Coverage alone, however, does not guarantee that services will be available or that children will receive needed care. GAO was asked to evaluate states' efforts to facilitate and monitor access to primary and preventive services for children in these jointly funded federal-state programs. The study surveyed 16 states, covering over 65 percent of the Medicaid and SCHIP population. GAO analyzed requirements relevant to managed care and fee-for-service (FFS) delivery systems, including the number and location of physicians and their availability to see beneficiaries, monitoring of health plan or physician compliance with these requirements, and collection and analysis of beneficiary service utilization data.

What GAO Found

Overall, states imposed more access-related requirements on participating providers and more actively monitored children's use of services in their Medicaid managed care programs than in their Medicaid FFS or SCHIP programs.

Medicaid managed care: State requirements for managed care plans ranged from very broad provisions that health plans must have "adequate" physician networks for serving their enrolled members to very specific standards, such as the number and geographic proximity of physicians and maximum time frames within which a new beneficiary receives a first appointment. States less often verified data that plans submitted to show compliance with these requirements or independently monitored physicians' availability. In one instance of verification, a state found that a third of a health plan's physician network was not accepting new Medicaid patients, thus limiting access for new beneficiaries. The value of plan-submitted data that states used to monitor children's use of services was often compromised by continuing problems with their completeness and reliability. Furthermore, information derived from beneficiary satisfaction surveys was not necessarily representative of all Medicaid managed care beneficiaries.

Medicaid FFS: Most states did not set goals for or analyze the availability of participating primary care physicians even though a majority of Medicaid-eligible children in half of the states reviewed are still served in FFS programs. In most FFS programs, beneficiaries may seek care from any providers participating in the Medicaid program and may change providers at any time if they are dissatisfied. However, when FFS payment rates are lower than those paid by other purchasers—which was the case in most states reviewed—providers can be discouraged from participating in Medicaid and thus restrict beneficiaries' access. States did little to monitor the use of services by Medicaid-eligible children in FFS programs despite having a ready source of data in their claims payment systems.

SCHIP: Nine of the 16 states used the same providers, administrative systems, and monitoring approaches for their SCHIP programs as they did for Medicaid. The remaining 7 states, whose SCHIP programs were distinct from Medicaid and used managed care almost exclusively, set few requirements for or monitored providers' availability to SCHIP-eligible children. States with distinct SCHIP programs also reported fewer efforts to monitor children's use of services than in their Medicaid programs.

Comments on our report from the Department of Health and Human Services highlighted new federal requirements for state oversight of managed care, and design differences between Medicaid and SCHIP that can affect monitoring approaches. States we reviewed provided clarifying or technical comments regarding their oversight of access, which we incorporated in the report as appropriate.

www.gao.gov/cgi-bin/getrpt?GAO-03-222.

To view the full report, including the scope and methodology, click on the link above. For more information, contact Kathryn G. Allen (202) 512-7118.