

State Of the State Survey

*Health Insurance and Access to
Care in Michigan's Changing
Health Care System*

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Briefing Paper No. 98-38

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BACKGROUND ON HEALTH INSURANCE IN MICHIGAN

Historically, Michigan has had a low percentage of the non-elderly population without health insurance coverage -- 10.1% in 1996 (vs. 17.7% nationally), according to the Employee Benefit Research Institute (Sources of Health Insurance and Characteristics of the Uninsured East North Central States, 1996). Children (less than 18 years old) living in Michigan have also enjoyed a high rate of insurance coverage. (Only 7.3% were uninsured in 1996, vs. 14.8% nationally.)

A key factor in Michigan's favorable situation is the higher rate of employment-based health insurance coverage for Michigan workers (81.1% vs. 72.3% nationally). This factor also accounts for the historically higher than average rate of private coverage among Michigan's children (68.3% vs. the national rate of 58.9%).

Despite this generally favorable picture, lack of health insurance coverage and problems with access to health care do persist among certain groups in Michigan, in particular among African Americans. In recent years, both the Federal Government and the State of Michigan have taken steps to increase insurance coverage among poor children through the Children's Health Insurance Program, which is being implemented in Michigan as the MICHild Program of subsidized private health insurance for children in low income families. This paper will assist policymakers and the general public in assessing the likely impact of this new initiative.

THE SURVEY

Telephone surveys of 1013 and 971 adults in the state of Michigan were conducted by Michigan State University's Institute for Public Policy and Social Research between October and November 1995 and between November 1997 and February 1998, respectively. These were the fifth and thirteenth quarterly MSU State of the State Surveys (SOSS). The surveys focused primarily on health policy issues. The overall sampling error is 3.2%. All of the statistical relationships in this report fall beyond the range of sampling error.

The sample was designed to provide representative information for respondents from major regions of the state: Detroit City, Southeast Michigan (excluding Detroit) Southwest Michigan, Central Michigan (West and East), northern Lower Michigan, and the Upper Peninsula. (See attached information sheet for a list of counties included in each region). The data reported here are weighted to be representative of Michigan's adult population with telephones.

Note that telephone surveys such as this one definitely under-represent the uninsured. The US Census Bureau's Current Population Survey, based on personal interviews, is considered to be the most accurate source of insurance information. It shows about 2% more uninsured people than these SOSS5 and SOSS13 estimates.

KEY FINDINGS

Health Insurance Coverage

- **Over 90% of the Michigan adults surveyed are covered by some kind of health insurance.** As Figure 1 shows, nearly 60% of Michigan adults have private group coverage, with another 9% covered by individual private policies. (Question 1 – *exact wording is given below.*)

- **Many Michiganians have joint public/private coverage.** Of those with any insurance coverage, 14.5% of adults have Medicare coverage.* Of these Medicare beneficiaries, nearly 70% have private insurance coverage supplementary to their Medicare coverage (Medigap coverage). In contrast, of the 5.2% of adults covered by Medicaid, only 31% have supplementary private coverage. (Q. 2)
- **Children whose parents lack health insurance are at high risk of being uninsured.** Slightly more than half of children with uninsured parents are themselves uninsured, compared to 4.2% of children in households with insured parents. Moreover, 64% of the children without health insurance have parents without health insurance. (Q. 4)
- **Health insurance coverage differs significantly by race.** African Americans are significantly less likely to have health insurance coverage. However, most of this difference is concentrated among younger African Americans. (Fig. 2)
- **Lack of health insurance has worsened significantly for younger African American adults in the past two years,** even while coverage for younger white adults has improved. (Fig. 3)
- **Although African Americans are three times as likely to be uninsured as whites, they also are twice as likely to be in fair or poor health.** Nine percent of whites and 18% of African Americans describe their health as fair or poor.

Access to health care

- **The uninsured are twice as likely to forego needed health care as those with insurance.** Changes over time are probably attributable to changes in the wording of the question. (Fig. 4; Q. 5)
- **The reasons for not seeking medical care remained roughly constant over the 1995-97 time period.** Lack of insurance or the cost of care is the main reason for not seeking care for nearly one-third of those with insurance and for nearly two-thirds of those without insurance. (Q. 6)
- **Health insurance coverage is a major determinant of access to primary care and the site of primary care.** More than three-quarters of insured adults have a usual provider, but less than half of the uninsured have a usual provider. As a consequence, the uninsured are unlikely to enjoy the long-term health promotion and prevention benefits of ongoing primary care. (Fig. 5; Q. 7)
- **While overall fewer African Americans have a usual provider of care (70% compared to 78% for whites), slightly more insured African Americans (83%) have a usual provider than their insured white counterparts (80%).** This suggests that the major barrier to securing the benefits of ongoing primary care for Michigan's African Americans is lack of insurance coverage.
- **Health insurance coverage affects the usual site in which patients receive their care.** Patients with private group insurance are most likely to receive care in a doctor's office. Patients with less generous individual insurance policies and those who are uninsured rely more heavily on hospital emergency rooms and outpatient clinics. Patients with Medicaid coverage use community

* Includes those who consider Medicare or Medicaid secondary to their private coverage.

health centers and public health department clinics more frequently than those with private group insurance. The state policy to assign all Medicaid recipients to a primary care provider appears to have successfully eliminated emergency rooms as the usual site of care for Medicaid patients. (Fig. 6; Q. 8.)

- **Those who are socially disadvantaged also seek care in greater proportions in sites other than doctors' offices.** Patients in fair/poor health rely more heavily on community health centers and public health department clinics, while the unemployed and disabled use hospital outpatient clinics more frequently than those with private group insurance.
- **African Americans are less likely than whites to get care in doctors' offices, even when insured.** Insured African Americans rely more heavily on hospital outpatient clinics for usual care. With insurance coverage, African Americans use the hospital emergency department for usual care at the same frequency as whites.

Figure 1. Adult Michiganians' Primary Health Insurance Coverage

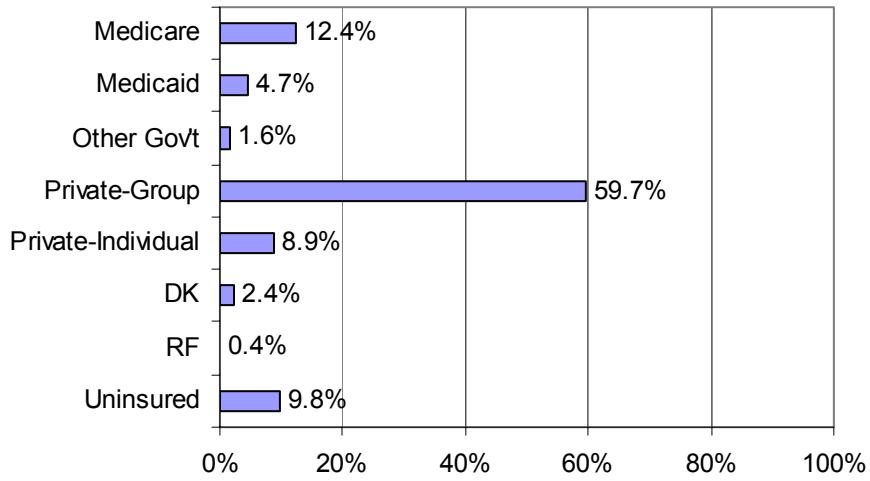
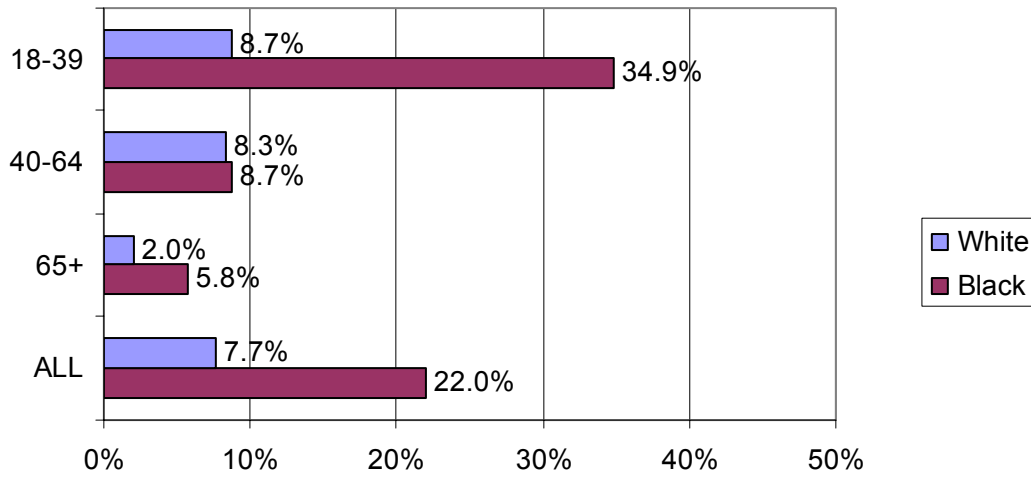


Figure 2. Percent Lacking Health Insurance in 1997 by Age and Race



**Figure 3. Change in Percent Insured: 1995-97
by Age and Race**

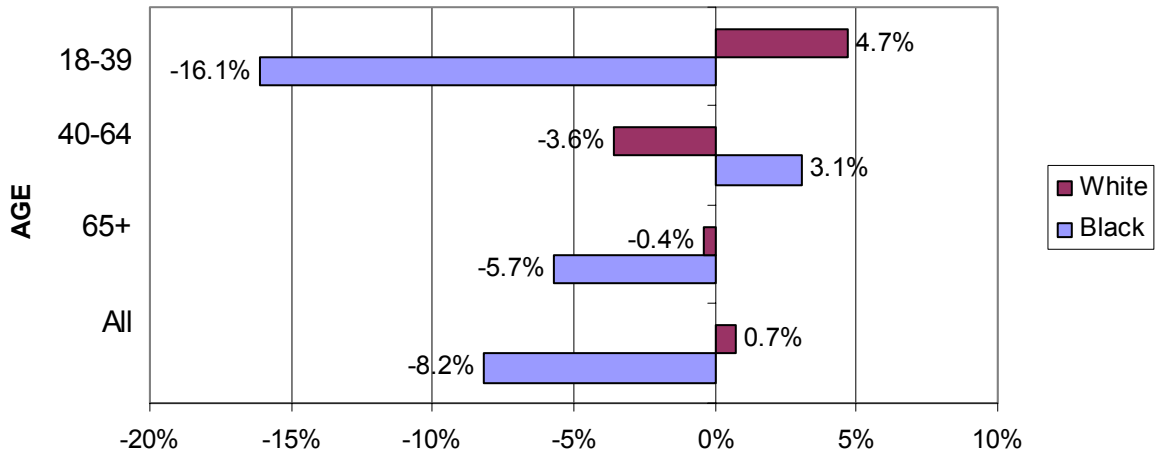


Figure 4. Percent of Adults Not Seeking Needed Care

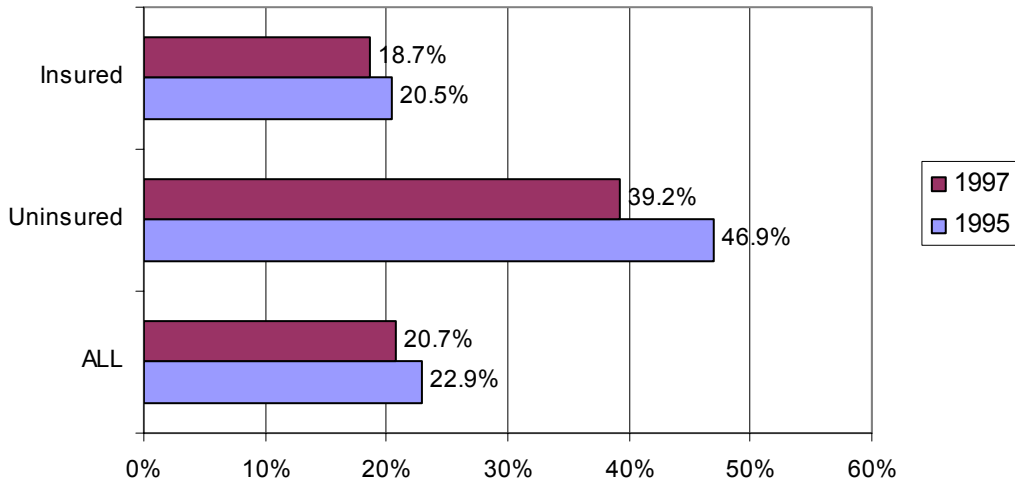


Figure 5. Percent of Respondents with Usual Providers

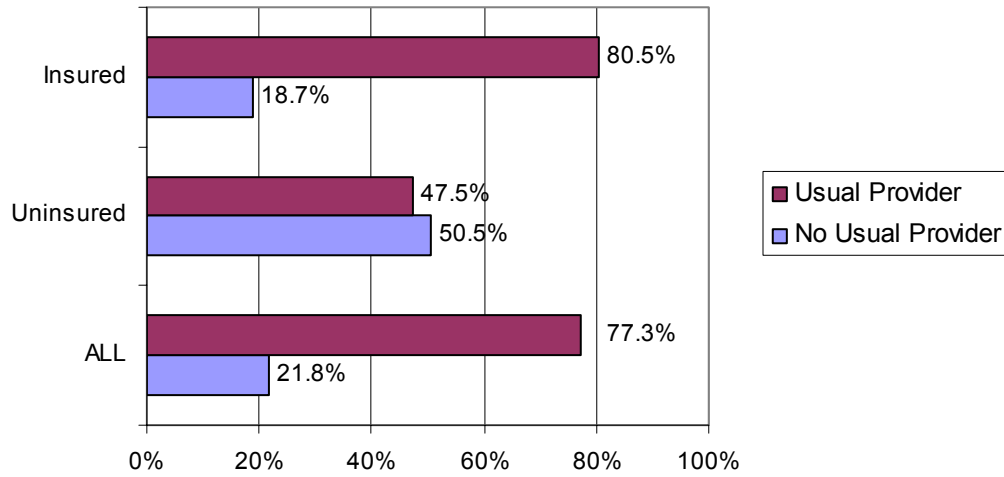
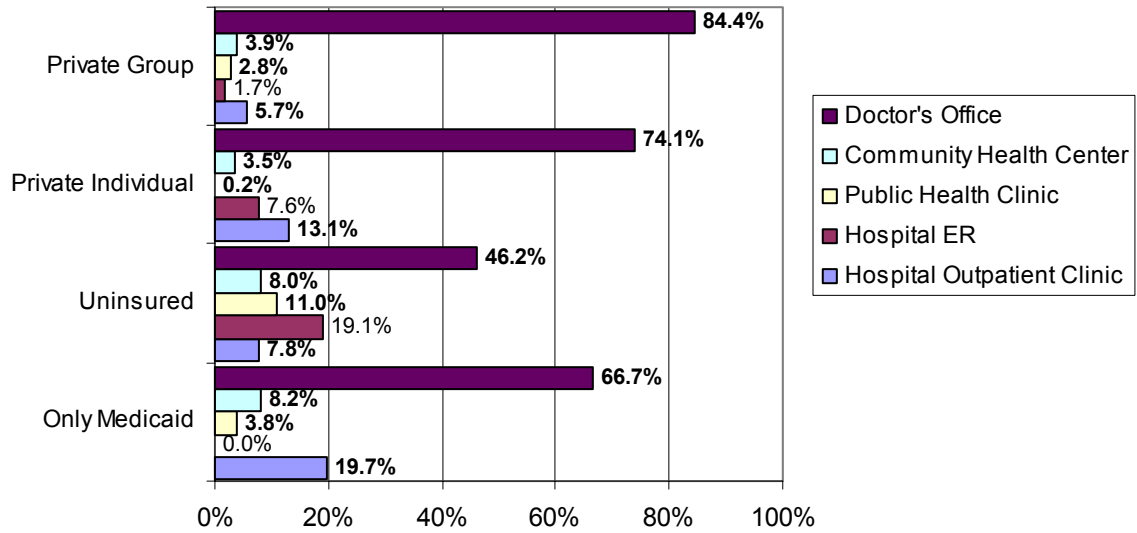


Figure 6. Usual Site of Care by Insurance Coverage



SURVEY QUESTIONS

The questions for the health insurance items discussed in this briefing paper are listed below in the order in which they were discussed. The bracketed numbers at the end of the questions correspond to the actual question numbers in the survey instruments. The first bracketed number is from the SOSS13 survey in 1997; the second bracketed number is from the SOSS5 survey in 1995. Overall, the 1997 interviews lasted an average of 19 minutes; the 1995 interviews averaged 17 minutes. These questions consumed about three minutes of that time.

Q. 1. Do you have health insurance coverage from any source, including Medicare, Medicaid, private insurance from your employer or union, coverage from another family member, or individually purchased coverage? [I1; I1]

Q. 2. Does your primary or main health care coverage come from Medicare, Medicaid, another government health insurance program, from a plan provided through an employer or union, or from an individually purchased private insurance plan? [I2; I2]

Q. 3. Would you say that in general your health is excellent, very good, good, fair or poor? [H1; HS1]

*Q. 4. How many of the children living in your household have any type of health insurance coverage? [I4; I26 and I27]

*Q. 5. In the past six months ["In the past year" for 1995 survey], have you ever not sought medical care even when you needed it or thought you should get it? [H6; H8]

Question 6 was asked only of people who responded "yes" to Question 5.

*Q. 6. Why didn't you get care? [H6a; H8a]

(This was an open-ended question. Responses were recorded verbatim and then coded. They fell into the following categories for 1997. <1> cost/no insurance <2> no transportation/distance too great <3> no time/too busy <4> illness not severe/didn't need care <5> couldn't get appointment <6> clinic/doctor refused to see me <7> didn't know where to go <8> service not available <9> too much trouble/hassle/indifferent/too much bother <10> problem go away/thought get better on own <11> too few medicaid providers/too difficult with medicaid <12> don't like doctors <13> treat self/other homeopathic treatments <14> fear/don't want to find results <98> don't know <0> not applicable <99> refused)

Q. 7. Is there a particular doctor (or person) you usually see when you get health care? [HS2; H1]

*Q. 8. When you need health care, where do you usually go? (A doctor's personal office, a community health center, a public health department clinic, a hospital emergency room, a hospital outpatient clinic, or somewhere else?) [HS1; H3]

*The wording of these items was changed slightly from 1995 to 1997; the 1997 wording is shown above.

REGIONAL CATEGORIES

NOTE: These regions are the ones used by the Michigan State University Extension Service, except that we treat Detroit City as a separate region.

Detroit: City of Detroit

Southeast: Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, Wayne (excluding Detroit)

Southwest: Berrien, Branch, Calhoun, Cass, Eaton, Hillsdale, Ingham, Jackson, Kalamazoo, St. Joseph, Van Buren

West Central: Allegan, Barry, Ionia, Kent, Lake, Manistee, Mason, Mecosta, Montcalm, Muskegon, Newaygo, Oceana, Osceola, Ottawa

East Central: Arenac, Bay, Clare, Clinton, Gladwin, Gratiot, Huron, Isabella, Midland, Saginaw, Sanilac, Shiawassee, Tuscola

Northern L.P.: Alcona, Alpena, Antrim, Benzie, Charlevoix, Cheboygan, Crawford, Emmet, Grand Traverse, Iosco, Kalkaska, Leelanau, Missaukee, Montmorency, Ogemaw, Otsego, Oscoda, Presque Isle, Roscommon, Wexford

U.P.: Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, Schoolcraft

Background Information

Michigan State University State of the State Survey [MSU SOSS]

What Is MSU SOSS?

The MSU State of the State Survey is a quarterly statewide survey of a random sample of the residents of Michigan. Although dozens of surveys are conducted in Michigan every year, no other one is designed to provide a regular systematic monitoring of the public mood in major regions of the state. Through SOSS, MSU aims to fill this information gap. SOSS has five main purposes: (1) to provide timely information about citizen opinions on critical issues; (2) to provide data for scientific and policy research by MSU faculty; (3) to provide information for programs and offices at MSU; (4) to develop survey research methodology; and (5) to provide opportunities for student training and research.

Each quarterly round or “wave” of SOSS has a different main theme. The general plan for the themes is: (a) Winter–quality of life, governmental reform, higher education; (b) Spring–family, women, and children; (c) Summer–ethnic and racial groups, Michigan communities; (d) Fall (even numbered years)–politics, the election, and political issues; (odd-numbered years)–health and the environment. This wave of SOSS departed from this pattern and focused predominantly on health care related issues.

Who Is Conducting SOSS?

The State of the State Survey is administered by the Survey Research Division (SRD) of the Institute for Public Policy and Social Research (IPPSR), using its computer-assisted telephone interviewing (CATI) technology.

The design and overall planning of SOSS is the responsibility of a 17-person Steering Committee chaired by Dr. Brian D. Silver. The Steering Committee consists of representatives from sponsoring units, which are primarily colleges and other administrative offices within MSU.

Subject to final approval by the Steering Committee, the questionnaire for each wave of SOSS is developed by a Working Group, most of whom also serve as principal investigators or analysts for that wave. The people listed below (all from Michigan State University unless otherwise noted) comprised the Working Group for the Fall 1997 survey (Wave 13):

Andrew Hogan, Associate Professor, Department of Medicine

Maureen Mickus, Assistant Professor, Department of Psychiatry

Michael Mintrom, Assistant Professor, Department of Political Science

Brian Silver, Professor, Department of Political Science; Director, State of the State Survey

Sandra Vergari, Assistant Professor, Department of Education Administration and Policy Studies, State University of New York at Albany

Mark Wilson, Associate Professor, Department of Geography and Urban and Regional Planning