Study Shows Medicaid Enrollees Are More Likely to Acquire Appointments at RHCs

A recent experiment conducted by researchers from the University of Pennsylvania provided evidence to determine that Rural Health Clinics (RHCs) offer more appointments to Medicaid enrollees than any other non-safety net provider. The researchers suggest that the cost-based reimbursement structure is the leading explanation to why RHCs dive into the Medicaid pool more than others.

First, the researchers aimed to identify whether practice location in an urban or rural setting affected the allowance of appointments for Medicaid enrollees. They found clear evidence that obtaining an appointment for a Medicaid enrollee was easier in a rural setting than in an urban setting. Rural providers offered appointments to Medicaid enrollees 80% of the time while urban providers offered appointments less than 60% of the time (Figure 1). The data also show that urban providers discriminate against Medicaid enrollees in favor of private insurance and self-pay, often providing appointment to the other two types of insurance 80% of the time. From this first result, it's safe to conclude that rural providers tend to be less discriminatory on payment type and tended to offer more appointments to Medicaid enrollees relative to urban providers.

After finding evidence that rural providers offered more appointments to Medicaid enrollees, the researchers sought to identify which specific type of rural provider takes on more Medicaid enrollees. As such, they constrained their analysis exclusively to rural providers and found that RHCs gave appointments to Medicaid enrollees an impressive 95% of the time while other rural providers reached a ceiling at 75% (Figure 2).
The researchers ran their experiment in 10 states and had trained staff posing as patients seeking primary care for the earliest possible appointment. The script was uniform except for variations in the type of payment (private insurance, Medicaid, or self-pay). There were a total of 10,383 calls made varying in urban and rural locations (as determined by the National Center for Health Statistics). Exactly 941 calls were to rural areas, and 349 were specifically to RHCs (Table 1).

The study provides two empirical conclusions: 1) rural providers are more likely to admit Medicaid enrollees than their urban counterparts, and 2) within the rural providers, RHCs are more likely to admit Medicaid enrollees than other non-RHCs. However, it ought to be noted that the deficiency of appointments for Medicaid enrollees by urban and non-RHC rural providers is due to their payment structure that pays more for private insurance and self-pay than for Medicaid enrollees. Likewise, it is the cost-based payment structure of RHCs that incentivizes RHCs to not discriminate against Medicaid enrollees.

Notably, this experiment provides a valuable point of consideration for understanding the consequences of adjusting the payment model for RHCs in the future. Additionally, as health care pushes toward an emphasis on quality of care, this study speaks to the importance of incorporating access in determining quality of care. It may very well be that urban providers are hitting all the quality markers once a patient is admitted. But if urban providers are limiting the access to care for Medicaid patients as this study shows, then are they really providing quality care? Ultimately, this study shows that with regard to access, RHCs are setting the bar and leading the pack.

The following figures and table have been extracted from the study and modified to enhance visualization.

Continued on page 2…

Figure 1 – Graphical depiction of average appointments across locations and payment types.

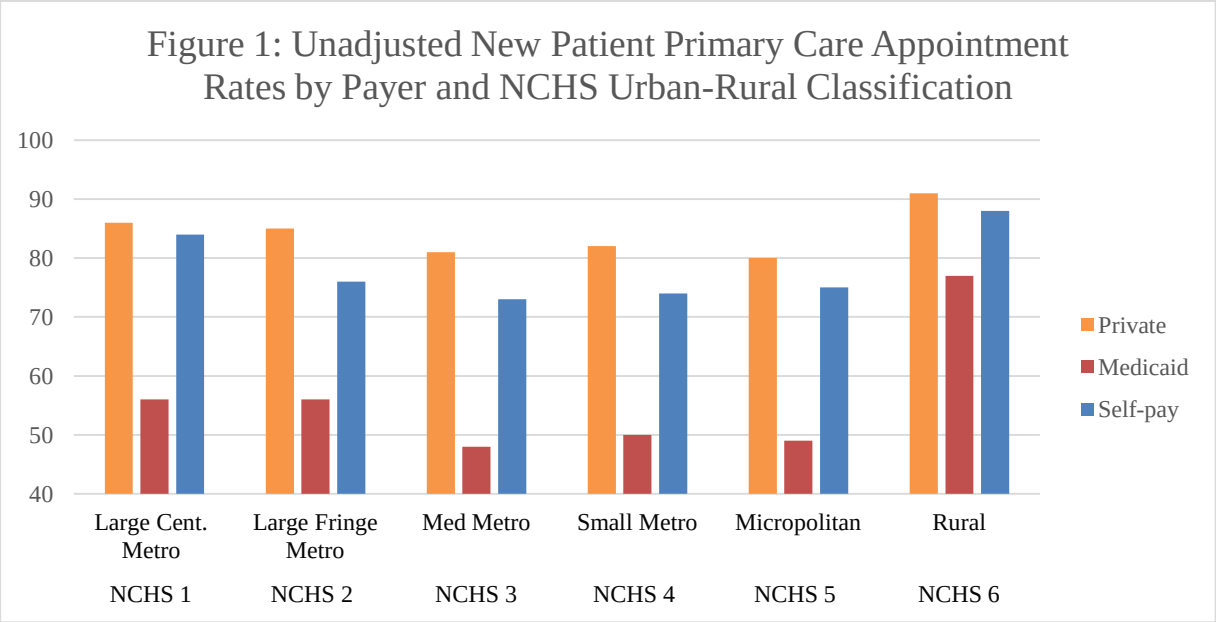

Figure 2 – Graphical depiction of average appointments across rural providers and payment types.

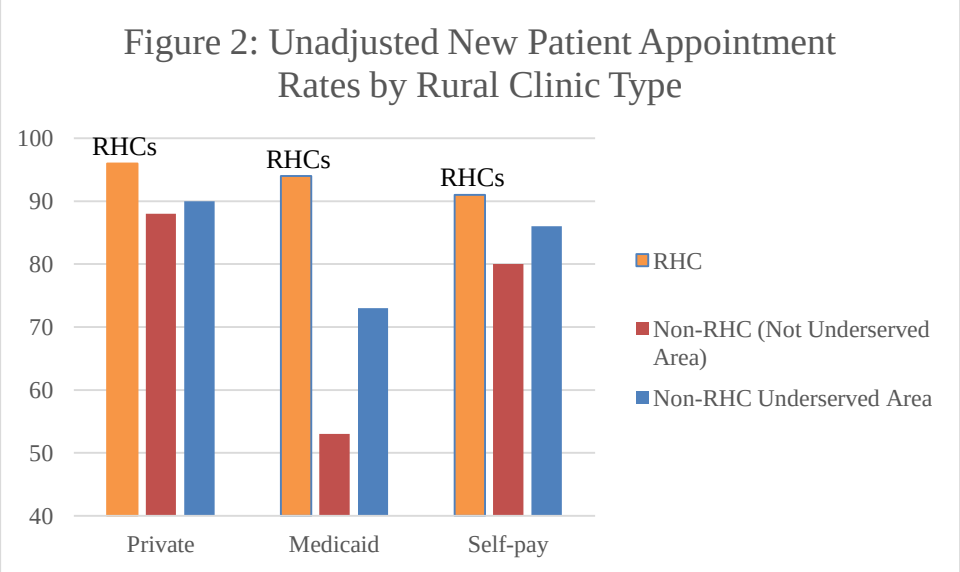

Table 1 – Breakdown of the total calls made to all the 6 categories of urban/rural classification.

	Large Central Metro (NCHS 1)	Large Fringe Metro (NCHS 2)	Medium Metro (NCHS 3)	Small Metro (NCHS 4)	Micropolitan (NCHS 5)	Rural (NCHS 6)
Total Calls	1,997	3,587	1,893	1,021	944	941

Lasanthi Fernando
Capitol Associates Inc.
http://www.capitolassociates.com/