



## *Access is Better for Racial/Ethnic Elderly in Medicare HMOs — But Disparities Persist*

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May 2001

**M**anaged care has grown dramatically over the years, first among private employers, then in Medicaid programs (Medi-Cal in California) and in the Medicare system. Today, two in five older persons in California (40%) are in Medicare HMOs at any one time. Nationwide, one in six (17%) among the elderly population is in a Medicare HMO.

This Policy Brief reports new findings on access to care of elderly enrollees in Medicare HMOs across four distinct dimensions of access: availability, accessibility, acceptability, and achieved care (Exhibit 1). The analyses compare HMO enrollees with those in traditional fee-for-service programs in California and in the rest of the nation, finding that in both California and in the rest of the country, Medicare HMOs fail to eliminate the access to care gap that Latino and African American elderly persons have with non-Latino white elderly persons. In the case of older Latinos outside of California, Medicare HMOs may even exacerbate the inequalities.

Although ethnic/racial gaps in health care access continue in Medicare HMOs, managed care does improve access to health services among the minority elderly in certain significant ways. Most strikingly, in comparison to the traditional Medicare fee-for-service system, HMOs clearly offer better access to care for California's elderly Latinos. Outside of the state, Medicare HMOs have the greatest positive impact on non-Latino whites (hereafter referred to as "whites").

### **Medicare HMOs in California Often Increase Access to Care, Especially for Latinos**

Across fourteen (14) different measures of access

to care, California's elderly enrolled in HMOs more often report better access but also sometimes report worse access compared to those in fee-for-service. This trend has important differences by race/ethnicity (Exhibit 2).

Older Latinos in California report more positive results regarding access to care in Medicare HMOs than in fee-for-service. Those in Medicare HMOs more often report higher satisfaction with the availability of weekend and evening hours, not delaying care because of costs, ease in seeing their doctor, receipt of follow-up care, and doctors' concern for their health.

For elderly African Americans in California, Medicare HMOs offer higher satisfaction with the ease of seeing their doctor. Whites in Medicare HMO plans in California earn better marks than whites in fee-for-service in evening/weekend hours, and are also more likely to have had a mammogram and Pap smear.

*Older Latinos in California's Medicare HMOs report more positive results regarding access to care than those in fee-for-service.*

▼ <b>AVAILABILITY:</b> Do appropriate services exist?
▼ <b>ACCESSIBILITY:</b> How easy/difficult is it to use available services?
▼ <b>ACCEPTABILITY:</b> How closely do services match users' expectations and values?
▼ <b>ACHIEVED:</b> What medical care did patient receive?

On the down side, Latinos in Medicare HMOs in California are more likely than those in fee-for-service Medicare to have seen their current doctor for a shorter period of time (indicating a lack of continuity in their care). In addition, they are more apt to report that their doctor seems to be in a hurry and less likely than their fee-for-service counterparts to express confidence in their doctor.

*Exhibit 1: Dimensions of Access to Care Examined*

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*Most elders in HMOs have better access to care than those remaining in fee-for-service... Yet paradoxically, the gap in access between minority and majority elderly narrows in managed care in only a few areas.*

**Exhibit 2:**  
*Impact of Medicare HMO vs. Medicare Fee-for-Service on Access to Care by Ethnicity, in California*

All of the areas in which HMO access is worse than fee-for-service for older Latinos fall in the category of acceptability of care. Whites in California Medicare plans fare worse in two areas: time to follow-up appointment and period of time having seen their current doctor.

**Nationally, Elderly Whites Prosper More in Managed Care**

Older whites are substantially better off in Medicare HMOs in the rest of the U.S. than in California. Older whites in HMOs outside of California reported better access in twelve (12) areas: satisfaction with evening/weekend hours, access to follow-up care, a particular doctor usually seen, shorter travel time to primary care, ease of getting to the doctor, feeling that their doctor is concerned for their health, feeling that their doctor doesn't seem to be in a hurry, confidence in their doctor, and higher rates of flu and pneumonia immunizations and Pap and mammogram tests.

In contrast to their California experience, Latinos in Medicare HMOs outside of California report an advantage over their fee-for-service counterparts in only two areas: less

travel time to reach their primary care provider, and a greater likelihood of usually seeing a particular doctor. This is also the case for older African Americans.

As in California, older Latinos in the rest of the country do worse in HMOs than in fee-for-service in three areas: length of time with usual doctor, whether the doctor seems to be in a hurry, and confidence expressed in the doctor. African Americans in HMOs outside California are worse off in one: length of time with usual doctor. The only access barriers for whites that are greater in Medicare HMOs outside California are the number of days they wait for a follow-up appointment and the length of time they have been seeing their doctor.

**Managed Care Does Not Appear to Reduce Racial/Ethnic Gaps in Access**

In both California and in the rest of the United States, elderly Latinos and African Americans in fee-for-service Medicare have significantly worse access to health services than whites. These gaps exist across all aspects of access — availability, accessibility, acceptability and achieved care. Does this ethnic/racial gap also exist in Medicare HMOs? In California, older Latinos' higher levels of access in HMOs compared to fee-for-service plans reduce Latino-white disparities in three areas: ease of getting to the doctor (Exhibit 3), satisfaction with follow-up care, and being very satisfied with the doctor's concern for their health. The access gap between Latinos and whites is *wider* in Medicare HMOs than in fee-for-service Medicare in three other areas: availability of evening/weekend hours, access to follow-up care, and the doctor's concern for their health.

In addition, in both California and in the rest of the country there are two measures in which older Latinos have better access than whites in fee-for-service Medicare (less likely to report that their doctor seems to be in a hurry; more likely to report confidence in their doctor), but the advantage is not present in HMOs. These differences are usually due to lower levels of Latino access in HMOs.

Outside of California, the access gap between Latinos and whites, and between African Americans and whites, is narrower in HMOs than in fee-for-service Medicare only

AVAILABILITY	Latino	African American	White
Very satisfied with evening/weekend hours	+		+
Travel time less than 30 minutes to doctor*			
Number of days waited for follow-up appt.			-
ACCESSIBILITY			
Did not delay seeking care because of cost	+		
Very satisfied with ease of getting to doctor	+	+	
Very satisfied with follow-up care	+		
ACCEPTABILITY			
Usually see a particular doctor*			
Have used particular doctor for more than 3 yrs.	-		-
Very satisfied with doctor's concern for health	+		
Doctor doesn't seem to be in a hurry	-		
Has great confidence in doctor	-	+	
ACHIEVED			
Pap smear past year			+
Mammogram past year			+
Flu and/or pneumonia immunization*			

+ = HMO better than FFS, - = HMO worse than FFS, \* = No HMO-FFS difference (FFS: fee-for-service)

in travel time to their doctor.

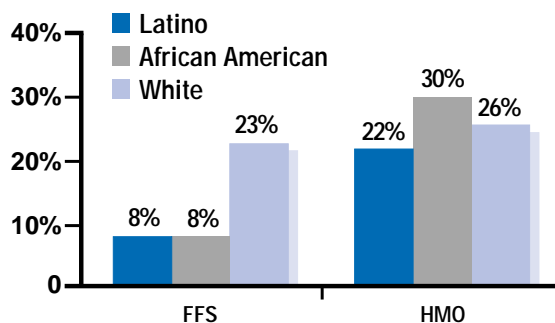
Overall, most elders in HMOs have better access to care than those remaining in fee-for-service, in both California and in the rest of the United States. Yet paradoxically, the gap in access between minority and majority elderly narrows in managed care in only a few areas and increases in others. All of this suggests that more work needs to be done to determine the reasons for such access gaps.

### Population Differences Explain Few Access-Gap Issues

These gaps are only partly explained by socioeconomic and health differences between the minority and white elderly groups. When taking into account age, gender, marital status, education, income, Medicaid receipt, self-related health, and diabetes, there are still a number of areas where minority elderly in fee-for-service Medicare have worse access than whites, but few in which minority elderly in HMOs have worse access. Some of the differences between Latinos and whites, particularly in Medicare HMOs in California, appear to be the result of Latinos having lower incomes and education.

At the national level, elderly Latinos still report less access than elderly whites — both in fee-for-service Medicare and Medicare HMOs — in availability of evening/weekend hours, doctor’s concern for their health, and receipt of a flu vaccine. In fee-for-service Medicare (but not Medicare HMOs), a gap also persists in travel time, ease of getting to the doctor, whether a particular doctor is usually seen, and receipt of a pneumonia vaccine. In Medicare HMOs (but not fee-for-service Medicare), a gap persists in follow-up care.

Nationally (taking into account population differences), Latinos in fee-for-service Medicare report *better* access than whites in three areas: doctor less likely to be in a hurry, confidence in doctor, and follow-up care. This advantage for Latinos is eliminated when they are in HMOs. African Americans at the national level, taking into account population differences, show almost the same patterns as Latinos, except that African Americans are less satisfied with the interpersonal aspects in fee-for-service Medicare.



*Exhibit 3: Percent of Medicare Fee-for-Service and Medicare HMO Patients Very Satisfied with the Ease of Getting to Their Doctor, by Ethnicity, in California*

### Policy Implications

Eliminating racial/ethnic disparities in health care is a national priority that has particular relevance to California. Previous research has shown that problematic access to care in HMOs is particularly severe among groups that historically are considered at risk. However, we know very little about the experiences of racial/ethnic minorities in Medicare HMOs. The financial incentives in managed care continue to raise concerns over possible reduced access to medically necessary services and procedures.

The research conducted for this report suggests that elders in Medicare HMOs have better access to care in some key areas compared to elderly individuals remaining in fee-for-service. And yet, the gap in access between the minority elderly and white elderly populations is narrowed by Medicare HMOs in only a few areas — principally in having a usual doctor. By a number of measures at the national level, the gap between Latino and white elders is *larger* in HMOs, particularly in the acceptability of care.

Older Latinos enrolled in HMOs, are often less satisfied with the acceptability of their care than those in fee-for-service, even though their non-Latino white counterparts are commonly more satisfied with the acceptability of care dimensions in HMOs. This was especially the case for Latinos who responded to the survey in Spanish. This area of access, which depends heavily on the interaction between providers and patients, may be a particular problem in HMOs. Spanish-speaking elderly are probably more likely to encounter language and cultural barriers to care in a managed care environment, where they have less choice of providers and office staff. In addition to language barriers, the

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added steps required to receive care from most managed care organizations could prove more discouraging to immigrant Latinos than to white elders.

While California is a national leader in promoting cultural competence regulations, little research has been done concerning the implementation and/or effectiveness of those regulations. The state should increase its vigilance with respect to the cultural appropriateness of HMOs to ensure that seniors have adequate availability, accessibility, and especially acceptability of their care through the plans that insure them.

The findings of continued disparities in access to care for racial/ethnic minorities, both in California and in the rest of the United States, indicate that further efforts are needed to improve access for Latino and African American elders in managed care before considering mandatory HMO enrollment of Medicare beneficiaries.

#### Data Source

*The findings in this Policy Brief are based on analyses by the UCLA Center for Health Policy Research of data from the 1996 Medicare Current Beneficiary Survey — of 1,550 California seniors and 12,574 seniors in the rest of the United States. The authors analyzed cross-sectional data (only one year). Thus, it is impossible to determine whether the HMO versus fee-for-service differences are caused by the insurance plans or by unmeasured characteristics of the persons who are attracted to one type of plan over another. Data on HMO membership was taken from Medicare administrative records; all other information is based on self-reports of those surveyed.*

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The research and this Policy Brief were sponsored by the California Program on Access to Care, California Policy Seminar, of the University of California.

*The Center is funded in part by a grant from The California Wellness Foundation.*

The views expressed in this report are those of the authors and do not necessarily represent the UCLA Center for Health Policy Research, the Regents of the University of California, or funding agencies.

**PB2001-2**

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The UCLA Center for Health Policy Research  
is sponsored by the  
UCLA School of Public Health  
and the  
School of Public Policy and Social Research.

*Further efforts  
are needed to  
improve access  
for Latino and  
African American  
elders in  
managed care  
before considering  
mandatory HMO  
enrollment of  
Medicare  
beneficiaries.*

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