A STUDY OF EMPLOYEE SATISFACTION WITH HMO SERVICES AT A HISTORICALLY BLACK UNIVERSITY

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ABSTRACT

In a pilot study, it concluded that gender probably does not make a difference in satisfaction with the services of an HMO, with the willingness to recommend their HMO to others, with the perceived satisfaction with the medical service provided, and with the list of doctors provided by their HMO. Satisfaction with one HMO probably is not significantly different than with the other HMO.

INTRODUCTION

HMOs are under attack because of serious and occasionally fatal lapses. "Some see a revolt against cost-conscious medicine." (WSJ 1996) Although only a small number of cases reach a jury, many claims are settled through internal processes or through arbitration. Patients argue that plans that delay or deny benefits violate the terms of their agreements to provide care. Also the gatekeeper's (primary physician) decisions are influenced by the cost-cutting guidelines of referring patients to specialists. California, Arizona, Texas, and Oregon now require disclosure of such guidelines (WSJ 1996).

While cost-cutting is essential to skyrocketing medical costs, it seems that patients' interests are sacrificed in many cases. It also raises the question how satisfied are HMO subscribers? This motivated us to conduct a pilot study of HMO subscribers. The purpose of this paper is to examine the level of satisfaction of Norfolk State University's HMO subscribers. Depending on the findings we plan to extend this study to two other cross town universities. Another interesting aspect is that a local HMO inter alia is the predominant provider in this area.

The respondents used in this study were employees at an historically black university with 1200 employees on the payroll. According to the personnel department only 230 of the total or 19.2% opted for HMOs. The authors asked both faculty members and other personnel of different departments about their choice of health care providers. Most wanted their current physicians to continue. Since HMOs do not include their doctors they opted out. The other frequent responses were "I don't want a new system" and "HMO benefits were not explained well." The personnel department does not maintain separate records of HMO subscribers. So we decided to distribute our questionnaire to all 1200 university employees.

HYPOTHESES

The following hypotheses will be tested:

1. The gender of a person and the satisfaction with the list of doctors offered by an HMO are independent of each other.

2. The gender of a person and the satisfaction with the quality of medical care received from a HMO are independent.

3. The members of each of the HMOs in the study were equally likely to be satisfied with their HMO.

4. The members of each of the HMOs are equally likely to recommend their HMO to others.

5. The gender of a person is independent of the willingness of an individual to recommend their HMO to others.
SAMPLE AND METHODOLOGY

Sample

The sample is composed of 47 employees of a state university who are members of one of two HMOs. The sample was composed of 66 percent females and 34 percent males. At the time that the survey was performed, there were 230 employees who were members of HMOs. Thus the sample contains about 20 percent of the population. The average age of the respondents is 39.1 years. The respondents had an average of 1 child who was covered by the HMO. The average annual family income of the respondents was between $35,000-$45,000. The sample consisted of 82.2 percent blacks, 15.6 percent whites, and 2.2 percent Hispanics. The sample was made up of 31 percent faculty, 28.6 percent clerical, and 40.5 percent administrators. The sample is composed of 42.6 percent single persons, 42.6 percent married persons, 8.5 percent separated persons, and 6.4 percent divorced persons.

The average respondent had been a member of his/her HMO between 2 and (but less than) three years at the time that the survey was completed. The average respondent had made between 5 and 9 visits to his/her HMO during the previous twelve months for service for themselves. Only four of the respondents had hospital stays during the previous twelve months.

Questionnaire

A questionnaire was administered to all of the members of HMOs among the employees of a medium size state university. The first section contained data about to which HMO the respondent belongs, how long the respondent has been a member, how many visits the respondent had personally made to a HMO health facility in the 12 months prior to completing the questionnaire, and how many hospital stays the member had in the 12 months prior to completing the questionnaire. The second section contained eleven likert scale statements concerning the respondents satisfaction with their HMO and various aspects of the service it provides. The third section contained seven questions on the demographic and occupational characteristics of the respondent.

Methodology

The chi-square test of independence will be used where possible to determine whether there is a relationship between variables. Since the chi-square test of independence does not permit the determination of the strength of the relationship and the direction of the relationship, Cramer’s C statistic is used to determine the strength of the relationship. The latter is interpreted the same as the correlation coefficient. Neither of the statistics can be used to determine direction of the relationship. The 5 % level of significance was used in connection with all tests of hypotheses. The Cramer’s C statistic shall not be reported unless the chi-square is significant.

Due to the fact that there is only 47 usable completed questionnaires and the disparity between the percentage of agree and disagree responses, neither the chi-square test of independence nor the normal distribution test of the difference between percentages can be used. In connection with some of the chi-square tests of independence, the relationships tested resulted in at least one cell with an expected frequency of less than five. The minimum number of observations required for the normal approximation to the binomial distribution is 50.

Therefore, a tentative indication of the relationship in some of the variables is obtained by indirectly testing the hypothesis that the percentage of agree responses in one group could have come from the same population as the other group. This can be done by using the binomial distribution and testing whether or not an occurrence could have the same probability of taking place in one group as in another group (Gibbons 1976).

RESULTS

The hypothesis that the gender of a person and satisfaction with the choice of doctors are independent of each