



**p o l i c y   b r i e f**

**SEEKING SOLUTIONS: ENHANCING HEALTH  
CARE DELIVERY FOR PEOPLE IN CONNECTICUT  
WITH LIMITED ENGLISH PROFICIENCY**

**SUMMARY FINDINGS**

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- More than 22,000 people with limited English proficiency (LEP) were enrolled in Connecticut's Medicaid program in 2003 and used about 5 percent of the program's health services.
- Sixty-five different languages are spoken by low-income Connecticut residents with LEP, about half of whom are Spanish-speaking.
- Three-quarters of Medicaid beneficiaries receive coverage through managed care. Managed care organizations already pay for interpreter services, but recipients who need an interpreter must request one 48 hours in advance. Although no records are available on usage, physicians participating in Medicaid managed care were generally not aware of this option, suggesting that use is limited.
- At present, the Medicaid program does not provide interpreter services to the one-quarter of beneficiaries who are enrolled in fee-for-service.
- The state's annual share of providing medical interpreter services through its Medicaid program would total about \$2.35 million if Connecticut takes advantage of the federal match of 50 percent. The total cost to provide these services would equal \$4.7 million annually.

**BACKGROUND**

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Seeking ways to provide culturally and linguistically appropriate health care to an increasingly diverse population is a growing policy concern. The federal government provides matching funds to help state Medicaid programs pay for interpreters for beneficiaries with limited English proficiency (LEP); however, only a handful of states currently participate in the program. After public hearings in 2004 revealed that many Connecticut residents with LEP see health care providers without a trained interpreter, the Connecticut Health Foundation's Policy Panel on Racial and Ethnic Health Disparities recommended that the Department of Social Services participate in the federal Medicaid match as a way to reduce the state's financial burden and encourage greater use of interpreter services. The Foundation commissioned Mathematica Policy Research, Inc., to determine the scope of the situation, including how many of the state's Medicaid recipients were of limited English proficiency and what it would cost to provide these services statewide. Mathematica's researchers analyzed information from a range of federal, state and local databases; conducted telephone interviews with Connecticut health care providers; and interviewed officials from states that had instituted similar programs.

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## BRIDGING THE DIVIDE

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Communication is key to an effective doctor-patient relationship. Yet changing demographic and immigration patterns in the United States have produced a growing number of people who cannot easily access basic health services because they cannot adequately speak or understand English.

Research has documented that people with LEP are less likely to (1) have a regular source of health care, (2) receive preventive care and (3) be satisfied with their care, among other issues. This situation contributes to racial and ethnic disparities that can result in poor health outcomes. Because LEP is more common among people with low incomes, the need for interpreter services is particularly acute for this population.

One approach developed to help address this issue involves using trained interpreters in health care encounters. Bilingual or multilingual interpreters have the awareness, knowledge and skills needed to facilitate communication between a patient and a health care provider who does not speak the same language. A growing number of states are using interpreters to facilitate accurate diagnosis, treatment and follow-up, with a goal of improving access to high-quality care.

## ASSESSING THE SCOPE OF THE PROBLEM

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As the first step in determining how Connecticut's Medicaid program can broaden access to care for Medicaid recipients with LEP, Mathematica estimated the cost of providing interpreter services. This involved calculating the size of the limited English proficient population and the share of health services they use.

Approximately three-quarters of Connecticut's Medicaid beneficiaries receive care through one of the four Medicaid managed care organizations (MCOs). The remaining quarter of enrollees are enrolled in fee-for-service (FFS) care. Due to limitations in the available data, estimates of the number of beneficiaries and their levels of service use were derived from two different data sources, so figures are presented separately by the type of Medicaid coverage (managed care versus fee-for-service).

Researchers estimated that about 22,353 people with LEP received Medicaid services in the state in 2003. About 17,000 were in the managed care option; the rest were in FFS Medicaid. These individuals use a wide variety of health care services. The first two columns of Table 1 show the types and number of services used by Medicaid recipients with LEP. The large proportion of office visits, which include physician services, outpatient and clinic services, suggests a strong need for interpreter services in outpatient settings.

To calculate the cost of providing interpreter services, which are usually billed at \$50 an hour, the next step was to estimate the length of the medical encounter. Most health care providers do not have readily available estimates of the time they spend interacting with patients with LEP,

so the times used to produce the cost estimates were derived from a variety of secondary sources (including a government report and a literature review of academic studies).

*Meeting the needs of the increasingly diverse population will require raising awareness of the need for interpreters, and designing and implementing effective systems in response.*

Table 1

### Estimated Costs for Interpreter Services for the Connecticut Medicaid Program

The third column of Table 1 presents the time estimates used in the calculations. Multiplying the number of services by the cost of interpreter services suggests that the total cost of providing face-to-face interpreter services for limited English proficient Medicaid recipients would be \$4.7 million annually (\$3.2 million for managed care and \$1.5 million for FFS enrollees). The federal matching rate varies by state and takes into account the state's per capita income relative to the national average. Connecticut's matching rate is 50 percent, suggesting that participation in the federal match program would reduce the total annual cost to the state Medicaid program by half (about \$2.35 million).

	Number of Services Used by Persons With LEP	Interaction Time in Hours	Cost in Dollars Assuming \$50/Hour
<b>Panel 1: Managed Care Enrollees</b>			
Well-Child Care	10,693	0.70	\$374,255
Office Visits	37,532	0.70	1,313,620
Behavioral Health Care	12,126	0.70	424,410
Emergency Visits	11,933	0.70	417,655
Inpatient Days	13,792	1.00	689,600
<b>Total Managed Care Costs</b>			<b>\$3,219,540</b>
<b>Panel 2: Fee-For-Service (FFS) Enrollees</b>			
Clinic Services	1,637	0.70	\$57,307
Dental Services	1,880	0.52	48,884
Home Health Services	1,055	1.01	53,293
Intermediate Care Facilities for the Mentally Retarded	64	1.79	5,751
Inpatient Hospital Services	1,517	0.65	49,313
Lab and X-Ray Services	3,484	1.03	179,430
Mental Health Facility Services	23	1.14	1,302
Nursing Facility Services	1,859	0.88	81,801
Other Care	3,990	1.03	205,460
Outpatient Hospital Services	4,403	0.70	154,110
Other Practitioner Services	2,315	0.70	81,042
Prescribed Drugs	5,653	1.03	291,144
Physician Services	4,568	0.81	185,000
Personal Support Services	1,547	0.89	68,827
Sterilizations	11	2.66	1,465
<b>Total Fee-For-Service Costs</b>			<b>\$1,464,129</b>

Sources: Medicaid Statistical Information System; Centers for Medicare & Medicaid Services 2005b; Connecticut Voices for Children, 2003 Enrollment Data.

## NEXT STEPS

The Mathematica study estimated the cost of providing interpreter services to Medicaid recipients with LEP, which is the first step in determining how the state can broaden access to care for these individuals. Determining how to structure the program to secure federal matching funds that would lower the state's costs should be the next order of business. The program could be set up to reimburse interpreter services as a Medicaid-covered expense or as an administrative expense. Alternatively, it could pay providers that care for a disproportionate share of limited English proficient patients.

Several neighboring states with similar programs illustrate the range of choices available:

- Maine, with 2 percent of its total population limited English profi-

cient, treats interpreter services as a Medicaid-covered expense and uses state-established billing codes to reimburse providers for the costs.

- Massachusetts, with the largest limited English proficient population (8 percent) of any state participating in the federal match, has long provided interpreter services in health encounters through its determination of need process. The state sought and received federal approval for an amendment to its Medicaid program to fund coverage for interpreter services and also uses federal funds to cover these services in hospitals that receive disproportionate share hospital payments.
- New Hampshire, with 2.4 percent of its total population limited English proficient, bills interpreter costs as

an administrative expense in fee-for-service Medicaid. Interpreters enroll as providers and bill the state directly for services.

Reimbursing interpreter services as a Medicaid-covered expense would probably be the most appropriate choice for Connecticut. The state's limited English proficient population is diverse and uses a variety of health care providers, not just hospitals or FFS providers. Covering these costs as a Medicaid-covered expense would not only allow for monitoring costs and trends, but also build on the existing payment structure in the state. Furthermore, creating a separate billing code for interpreter services makes it easier to distinguish these costs from other expenses and facilitates claims processing.



## LOOKING AHEAD

The issue of providing linguistically and culturally appropriate care goes beyond reimbursement policies. Mathematica's interviews with Connecticut providers revealed that they do not track the number of limited English proficient patients they serve and are not aware of medical interpretation resources for these patients. Managed care physicians were largely unaware of the existing option to cover interpreter services.

Meeting the needs of the increasingly diverse population, both in the state and across the country, will require raising awareness of the need for interpreters, and designing and implementing effective systems in response. To address these issues, a work group comprised of key stakeholders could be convened to identify (1) obstacles to the provision of services, (2) successful approaches to meeting the needs of the community with LEP and (3) possible educational and outreach activities that could increase the use of existing services.

## MORE INFORMATION

For a more in-depth discussion of the methodology used to create the cost estimate, please see the August 2006 report, "Estimates for the Cost of Interpretation Services for Connecticut Medicaid Recipients," on [www.cthealth.org](http://www.cthealth.org) under "Publications." To request a paper copy of this report or the policy brief, please call 860.224.2200.

## ABOUT THE AUTHORS

**Ann Bagchi**, Ph.D., is a researcher at Mathematica Policy Research, Inc. (MPR), with expertise in demography, and health care access and utilization among immigrant and native racial and ethnic groups. Her recent work includes a study of how LEP and citizenship status interact to create disadvantages in accessing health care among residents of California. This study was presented in poster sessions at the 2006 Population Association of America annual meeting. Prior to joining MPR, the University of Wisconsin-Madison alumnae was an assistant research professor at the Institute for Health, Health Care Policy and Aging Research at Rutgers University. Her work at Rutgers focused on racial and ethnic disparities in accessing treatments for major mental disorders and HIV/AIDS.

**Beth Stevens**, Ph.D., is a senior health researcher at MPR and area leader for work with foundations specializing in health care. She works in the area of health disparities and directed the Working Group on Culturally-Appropriate Medicare Education Materials for the Center for Medicare Education and wrote an issue brief for national distribution. Prior to joining MPR, Stevens was a member of the research staff of the Robert Wood Johnson Foundation (RWJF), where she concentrated on programs to expand access to care, improve the health care workforce, and educate vulnerable populations about the health care system. The Harvard University graduate also designed the Native American Breast Cancer Research Project, an effort to evaluate the effectiveness of culturally appropriate breast cancer screening and counseling.

Ann Bagchi, *Co-author*  
Mathematica

Beth Stevens, *Co-author*  
Mathematica

Mary Alice Lee,  
*Research Consultant*  
Connecticut Voices for Children

Carol E. Macdonald,  
*Consultant/Proofreader*

Monette Goodrich,  
*Editor-in-Chief*  
Connecticut Health Foundation

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or by calling  
860.224.2200.**

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74B Vine Street  
New Britain, CT 06052  
[www.cthealth.org](http://www.cthealth.org)

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