

More Health Plans Offering Coverage for Chiropractic, Acupuncture and Herbal Medicine

Michael Devitt

Over the past few months, health insurers across the country have begun increasing their coverage to include therapies such as chiropractic, acupuncture and herbal supplements. These increases, made at the state and national levels, highlight the continued growing acceptance of alternative therapies by insurance companies and the American public, and are expected to have a significant impact in the way millions of people view complementary care.

Some of the greatest activity in complementary health coverage is taking place in Arizona, California, Michigan, Nebraska and South Carolina.

Arizona

Last year, CIGNA HealthCare launched a program in Arizona called Healthy Rewards. The program gave its members and employees access to a network of almost 500 chiropractors, acupuncturists, massage therapists and other practitioners in the state, and discounts for online purchases of homeopathic remedies, sports nutrition products, books and videotapes, all without the need of a referral from a primary care physician. The program was so successful that it was expanded nationally in January, giving millions of people discounted access to alternative forms of care.

"We're not passing judgment on whether the services will keep the medical costs in the benefits package down," offered Robert Picinich, the general manager of operations for CIGNA HealthCare of Arizona, "but we are encouraging people to take more accountability on their own to be healthy."

California

Members of the Blue Cross/Blue Shield Service Benefit Plan now have access to a national network of chiropractors, acupuncturists and massage therapists, and can receive discounts on health products. This expanded access to alternative care providers is the result of a program instituted by Blue Cross/Blue Shield and administered by American Specialty Health Networks (ASHN), a San Diego-based provider of practitioner networks and managed care programs. (*Editor's note:* Not all chiropractors are enamored with ASHN, judging by the California Chiropractic Association's lawsuit against American Specialty Health Plans of California, a division of ASHN. See "California Chiropractic Association Sues ASHP: Patient Access and Ability to Treat Are at Issue" in the July 30 issue of *DC*, or at www.chiroweb.com/archives/19/16/03.html.)

Under the agreement, Service Benefit Plan members receive discounts of up to 25 percent on office visits to ASHN chiropractors, acupuncturists and massage therapists. Members will not need a referral from their primary care provider to take advantage of these benefits; instead, they can contact the network providers directly for an appointment.

"We recognize our members' desire for more choices and direct access to CAM services. Thus, we are excited to offer to our members for the very first time access to a discounted CAM affinity program," said Steve Gammarino, senior vice president of the Federal Employees Health Benefits

Program (FEHBP). The Blue Cross/Blue Shield Service Benefit Plan is the largest health insurer in the FEHBP, covering approximately four million federal employees, retirees and family members.

Michigan

Care Choices of Michigan offers an alternative care program (Natural Options) administered by Landmark Healthcare. Natural Options provides a 20 percent discount on a variety of services, including chiropractic, acupuncture, massage therapy and nutritional counseling. Nearly 200 providers have signed up for the program, which serves residents of southern and central Michigan.

Health Alliance Plan, which serves about 500,000 people in Michigan and northern Ohio, began its own alternative treatment plan in January. Known as HAP Advantage, the plan gives members a 25 percent discount for visits to chiropractors, acupuncturists and massage therapists. HAP advantage also provides discounts and free shipping on natural health and wellness products.

Nebraska

Earlier this year, Blue Cross/Blue Shield of Nebraska began offering discounted alternative care services to its 620,000 policyholders as a no-cost, "value-added" feature. In January, the provider (or organization) began offering discounts to its policyholders at a network of fitness centers throughout the state. The provider also created a "Natural Blue" section on their website, which offers discounts on herbal remedies.

Blue Cross has signed a provider network contract with American Specialty Health Networks. As a result, American Specialty gains a new (and expanding) audience of potential customers; the health care providers and fitness clubs end up with a larger clientele; and policyholders receive access to other forms of care without seeing an increase in their insurance premiums.

"The growth has been pretty phenomenal," said Kristin Harms, a spokesperson for American Specialty. "There's been a lot of consumer awareness and consumer demand for these types of services. We certainly hope they want to go in that direction."

According to Anne Monahan, a spokesperson for Blue Cross, about half of all Nebraskans have either used alternative medicine or think they might use it in the future. While those numbers are relatively low compared to the national average, she believes they will increase over time.

"We're not necessarily encouraging people to try it, but for those who do, we're offering that they can get a discount," she said. "It's slower coming to the Midwest, but it's coming. The trend will be that more and more people will start turning to these types of alternative medicine."

South Carolina

In April, Blue Cross/Blue Shield of South Carolina became the first health insurer in the state to provide coverage for alternative care. Through an agreement with its subsidiary, HMO Blue, and American Specialty Health Networks, the organization announced plans to begin covering chiropractic, acupuncture and massage therapy, bringing these benefits to more than 1.3 million people in the state.

The program, which went into effect June 1, gives HMO Blue members access to ASHN's credentialed chiropractors, acupuncturists and massage therapists. Members may visit a chiropractor or acupuncturist without needing a referral from their primary care physician; however, they must obtain a referral from their PCP before visiting a massage therapist. The

benefit plan also includes a co-payment and a limit to the number of office visits a policyholder may make each year.

"We are excited to take the next step toward integrating complementary and alternative programs with our other insurance products," said Rick Gallion, Blue Cross's director of complementary and alternative medicine. Gallion added that the program "illustrates our commitment to providing our members with more options that promote better health and wellness."

Reasons for Coverage Varied

Why are more insurers providing coverage for treatments that were considered controversial or unproven just a few short years ago? The reasons for including alternative forms of care as part of a health benefit plan are almost as numerous as the therapies these plans now cover.

Legitimacy. Chiropractic, acupuncture and herbal medicine are no longer considered "fringe" elements of health care. Dozens of studies published in the past few years have documented the safety, efficacy and effectiveness of chiropractic care. Other scientific studies have shown that acupuncture is effective for a variety of ailments, from treating osteoarthritis and nausea to pain relief and addiction. Research into herbal products and supplements, meanwhile, has made dramatic strides in the past few years.

"As there is a greater familiarity with these procedures and supportive scientific data, they are becoming increasingly more popular with patients," said Richard Coorsh, a spokesman for the Health Insurance Association of America. "They're also becoming increasingly more reimbursable by insurance companies."

Increased Use. Insurers are increasingly covering alternative therapies because the public is spending more on alternative care than on medical treatments, and the usage continues to rise. In 1990, an estimated 60 million American adults tried some form of "unconventional medicine." By 1997, that figure had increased to 83 million, and the number is expected to grow even more in the next decade.

"The members were asking for it (alternative care)," said Laurie Kelly, a Health Alliance Plan spokeswoman. "They want it as a full benefit. By offering it as a discount, we're able to test the waters and establish a network of providers. We're trying to empower our members."

Market share. Alternative care coverage has become a main selling point for health insurers. The insurers want to keep their current customers happy, while making themselves more amenable to prospective customers. The best way to do that is by listening to their customers' needs and finding cost-effective solutions that benefit both parties.

"It's a value-added (benefit) for our members," commented Helen Stojik-Nelson, a spokeswoman for Blue Cross/Blue Shield of Michigan, when asked about the advantages of the Naturally Blue program. "It helps them try out services or have the ability to have more services than they ever had before."

"Health plans are doing this in response to the wishes of their members who want access to these services," added Gerald Griffith, chair of the health care department at Honigman, Miller Schwartz and Cohn, a law firm in Detroit. "They are reacting to the market they serve, which makes good business sense."

"In this competitive environment, these programs add value to a health plan. This type of program may not cause someone to stay with a particular plan. But this, along with the other health care

benefits, can make a plan a lot more attractive."

Not All Providers Thrilled with New Plans

Not all of the new coverage plans are offering alternative care services. Many of the new plans being touted by insurers are discount or "affinity" programs. In an affinity program, a provider agrees to offer services to an insurer at a discounted rate in return for referral's from the insurer.

While the idea of offering a discounted service has rubbed some alternative care providers the wrong way, many who are already affiliated with health plans believe the discounts they offer are offset by the increase in the number of patients they see. Many practitioners believe that providing discounts on the services they offer today could lead to partial - or even full - reimbursement of those same services in the future. And a growing number of insurance experts believe that whether these treatments are covered will depend not on the opinion of a doctor or insurer, but on the demands of the consumer.

"I suspect that when the plans do choose to offer these benefits, it will be for competitive reasons," said Coorsh. "They (the insurance companies) want to be able to offer something different - alternative medicine is different. If the patient wants it, they'll find a way to help the patient get it."

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