

Are You Listening?

A REPORT FROM AN EMPLOYER

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Note: This column is usually reserved for the editor of Dynamic Chiropractic, but this issue will instead feature the thoughts of an employer faced with the need to supply chiropractic care for his 25 employees.

WARNING!

WHAT YOU ARE ABOUT TO READ WILL PROBABLY UPSET YOU. IF YOU DO NOT WISH TO BE UPSET, PLEASE TURN THE PAGE.

In this office, we employ 25 people. Most of them wish to enjoy the benefits of chiropractic care as part of their health care package. For many years we have tried to find a major health insurance program that would be cost effective. This is our story.

Our office is located in Orange County, California, one of the most expensive places on earth to live. Our employees are very health conscious, and many of them currently see a chiropractor on an ongoing, maintenance basis.

We have many choices of health insurance programs we can offer our employees. This year, as every year, we sought to include chiropractic care as part of the health insurance program we offer our employees. And this year, as every year, the cost of such insurance was more than if our employees purchased the chiropractic care on their own.

Now before you make the easy retreat into "the insurance companies are in conspiracy to eliminate chiropractic" mindset, please consider the following:

The poor soul whose job it is to figure out what an insurance company should charge when they write a policy is called an actuary. In the case of life insurance policies, the task is easy. Mortality tables are refined, statistical predictors that change on a relatively consistent basis, with the exception of such complicated factors as the spread of AIDS.

In the case of health care, the actuary's job is not so easy. Imagine, just for example, if the actuary had to predict the cost on a policy that only covered low-back problems treated by a chiropractor chosen by the patient.

We've all seen and heard about the problem. It has even been confirmed by recent studies: what one DC may charge a patient can vary greatly from what another DC may charge the same patient.

Now don't start feeling threatened, it's even worse with the MDs. Depending on who it is, you could get anything from a prescription for bed rest to back surgery that leaves you a paraplegic (talk about an actuarial nightmare!). But let's restrict our focus to chiropractic and let the medical profession solve its own problems.

Now consider that many DCs charge a cash patient differently than they bill an insurance company.

There are even insurance consultants who will tell their clients to bill an insurance company \$3,000 when they want and expect \$1,500. Who's fooling who? The insurance companies aren't fooled: they keep records.

In talking about this problem with some of the more prominent chiropractors around the country, there was substantial consensus. One well known DC explained that this was such a common problem, that he contracted directly with employers to treat their patients. Apparently many DCs do this, as individuals or as groups.

And that's what we have done. Contracted with three local DCs to provide services to our employees.

But what does this say about the chiropractic profession in general? And how does it affect our inclusion in nationalized health care?

Ours can't be the only company to have discovered this cost discrepancy. The insurance companies have surely known about it for years. They know they must be paying too much for the chiropractic care provided to their policy holders, or else employers would be buying their policies. This has to be one of their biggest arguments for only offering chiropractic as an "add on."

If the federal government realizes that the most cost-effective way to provide chiropractic care is to let the patients pay for it themselves or employers contract with DCs directly, what do you think the recommendation is going to be as national health care is developed? What would you do?

If I, as an employer, were able to design chiropractic's place in national health care, I would do one of two things.

1. Contract with managed health care organizations that had effective methods of peer review. These organizations would be monitored to insure that they provided cost-effective service. They in turn would monitor their providers in an effort to eliminate abusers and overutilizers.
2. Design national health care that is basically "bare bones" and let the individual patients purchase additional care, including chiropractic, in the most cost-effective manner: paying cash. Ultimately, the public has to pay the national health care cost anyway, they might as well get the best price.

Well, I warned you. The editor will be writing the column in the next issue. It just seemed important for you to look at the problem through the eyes of an employer.

Employers will be one of the deciding factors in the design of the nation's health care program. Didn't you notice? President-elect Clinton is going to great lengths to get our input on many economic issues.

Donald M. Petersen Jr.
Employer

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