

Standardizing The Intangibles -- That's Smart?

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Yes, yes, the demand is out all over the country to "produce standards for chiropractic" before someone else does.

The demanders are well-known: the insurance carriers. They recommend for us a lonesome course they will not themselves follow, because it lacks logic.

The Irony of It All

If standardization is the custom and they have set the measure, then why are they not standardized? Even in instances when control over variables is possible, they have not seen fit to standardize.

Their policies are not standardized; their regulatory laws are not standardized; the enforcement of the boards of insurance are not standardized; the issuance of riders is not standardized; the settlement of claims is not standardized in amount, method or fairness-----; as a blatant matter of fact, you'd have a tough time finding standards in the insurance industry.

Control the Variables Before Standardization Is Possible

They would think you were not playing with a full deck if you insisted that all "fires" were worth \$700, all hailstorm damage to homes was \$1,175 each; all broken legs were worth \$250; and all auto accidents were \$1,290. Who would accept that? The insurance industry? No, of course not. They would probably say that only fools would try to standardize uncontrollable variables. They would insist on sending agents to evaluate each loss.

Then, why do they not want doctors to evaluate each injury in each patient? And that's exactly what they are demanding when they want a "standard." They want exactness in every case. They want every sprain, for example, to be worth a certain, predictable amount of dollars. That would be funny except for the number of otherwise rational doctors nodding their heads in agreement.

By their logic, each crack in a piece of metal would be worth an exact figure. No matter if the crack was in the titanium supports on an F-16's wing or on a piece of just manufactured Mexican pottery. Sometimes, also, we must remember that a \$3 part costs \$200 to install. Now someone is going to say, "Gotcha," because they have standards of time allowed for installation. Yes, but the car engine doesn't develop osteoarthritis, have degenerated capsular structures and a failing circulation to that part either. Cars of the same manufacture are all birds of a feather, so to speak, but people, every one of them, have a different history, a different reaction to treatment, and a different response to stimulation. They have had varying diets, and it does make a difference when age is accounted for-----but, for cars, it's all the same.

And they say, in effect, "If your trained doctors don't get together and agree on this piece of illogic, then we'll have our untrained adjusters do it for you." What wonders we behold in these modern times!

Look around. Do we have a "standard IQ?" Does the United States have a "standard army?" Before you say "yes" remember the marines, the artillery, the air corps, the special services-----

Is everyone you see of "standard health?" Is every arthritic suffering the same pain? Does every deformity affect the same way? Does each medication work the same way in different patients? Will each chiropractic patient respond the same way? Are there such things as variables or is that just imagination? And, if there are variables, who is trained to deal with them? Insurance adjusters? Or doctors?

Two Points About Variables:

1. Two points about variables beg to be made. We seldom have control of them. Age happens. Infections occur. IQs are God-given. Our enemies determine the number of invaders. Health deteriorates. Some unfortunates have never been healthy. Injuries can be reinjured. Healed traumas can be subjected to cumulative traumas in the work-place. Injuries can be improperly treated. Name, for example, a hospital which does not give whiplash victims a pain reducer and instructions to use heat for comfort, when responsible texts in every school instructs the use of ice to restrict bleeding in torn muscles and ligaments, for 24 to 72 hours? If you get the patient first, without the increased bleeding from the heat packs, that's almost a different patient than the one who comes after a night on pain pills and a heating pad.
2. The other point is that we train men in various specialties to become experts in dealing with the variable which cannot be predicted.

Why, Oh, Why?

Why, then, are we letting a purely profit-motivated industry use untrained and incompetent personnel to determine treatment, judge the effect of variables, and, in short, insure themselves a tidy profit at the expense of both doctor and patient.

Why do carriers not standardize? For the same reason that chiropractors should not. It's blindly unworkable. There will never be a substitute for human judgement in some areas.

The big danger in standardization, which cannot be overemphasized, is the substitution of "averages" by making them limits (but calling them standards), thereby nullifying the usefulness of the doctor in making judgements on variables.

Another danger, about as bad, is that the setting of a standard nullifies legitimate reasons for extended treatment with no recourse. Try setting an automatic gas pump to cut off at \$10 and see if you get \$11 worth of gas, no matter how the need might be proven or justified.

One compromise we might make is to set a "standard" for the chiropractic profession for uncomplicated sprains at 34 treatments and the insurance industry pays no more than for 34 visits; however they have to pay for 34 visits on all sprains no matter if the patient comes in once, twice, 12 or 41 visits. That's fair because it's a standard. What they have in mind is not a standard at all, it's a limit.

They Do Have a Problem Which Is An Opportunity In Disguise

Back in the beginning, Blue-Cross and Blue-Shield had a virtual monopoly on health insurance. To get a share of the market their competitors offered additional services such as dental, podiatry, psychology, chiropractic, and several other groups around the border of mainline medicine.

It wasn't that costly to the carriers. There were relatively few chiropractors and they saw

comparatively few patients. Their services involved little more than minimal numbers of x-rays and the cost of an office visit, and there was usually only one charge even if physiotherapy or other modalities were used. But this offer of additional services was the entree into the health insurance field for many carriers as well as for chiropractic, plus it provided unions the opportunity to "demand" additional services for their membership.

The Cost Goes Up

The carrier cost of chiropractic services is going up for two basic reasons:

Overcharging, in their opinion. The problem isn't simple. Chiropractors, along with other businessmen, can't even discuss fees in open meetings without running afoul of the antitrust laws of the United States. Any attempt, professionally, to limit fees would result in instant litigation which would be lost. Any doctor of any type may charge what he wishes. The antitrust laws tie the hands of peer reviewers or any other form of institutional reform. It does need attention, but the insurance industry certainly isn't the proper vehicle for that regulation because of their vested interests and repeatedly duplicated demonstrations of pure greed.

Most of this so-called overcharging is merely the chiropractic profession beginning to make their billing practices conform to the rest of the healing arts. An increase in the number of services available to be rendered by the chiropractor to each patient is also a factor; and the diagnostic work-ups are becoming more expensive because of the cost of equipment and time. Much of this increase is because of carrier insistence on justification of procedures. Chiropractors learned long ago that any increase for any reason is classified as "overcharging" by the carrier.

They don't normally pay the obviously inflated claims so they are not hurt thereby, but they turn and wave them as banners using them as "justification" for unfairly cutting thousands of chiropractic claims which should be paid.

Carriers Exemption

On the other hand, the carriers are exempt from antitrust laws and can, and do, conspire freely to keep rates where they want. There is no limit on profit; they "drop" policyholders at the whim of a dent, knowing their (excuse the expression) "competitors" drop policyholders too, and there is no incentive toward competition.

They know fees cannot be regulated but utilization can, and this is their goal, their methods of containment of the medical and chiropractic professions without jeopardizing their own profits. If we limit ourselves they will laugh and giggle, and pocket money which belongs to their insureds.

To Stop Overcharging

1. The first step in stopping overcharging is to limit the profits of the carriers and tax the excess away. They are doing the most overcharging, providing the least service, and are proving to be the least reliable. Who knows when a claim is filed, how much of it will be paid, when it will be paid, or if the value of the claim must be diluted by forcing the hiring of an attorney to compel compliance with contracted issues.
2. The second step is to make the business of insurance subject to the antitrust laws so competition can enter the picture again.
3. The third step is to create an ombudsman to investigate all charges of impropriety, charging for services not rendered and other questionable practices. At present, if a patient claims to

be charged with items he never received, especially in the hospital setting, the complaint is brushed aside, with, perhaps rare exceptions.

4. The fourth step is to institute stiffer penalties for insurance carriers who dodge their responsibilities by administrative, deceptive or intimidation methods. This step alone would reduce the legal fees and the high cost of the administration of insurance. Most patients don't want litigation; they are forced into it to protect their rights.

To publicly name and thereby make available for suit the individual whose carelessness or abandonment or deceit caused the penalty, would also be good practice; this in addition to being able to sue the carrier.

5. The fifth step is to disband the regulation of the state boards of insurance. They now exist as tools of the carriers, not their regulator. The new state board of insurance (SBOI) should be composed of providers (at least one of every kind) -- a couple of insurance designated persons, three lay persons, and two attorneys -- one a plaintiff attorney, the other a defense attorney.
6. The sixth step is to pass legislation that gives the board of insurance the responsibility of forcefully regulating every phase of the business of insurance and making them responsible to the complaints of carriers, providers, insureds, and those affected in any manner by the business of insurance.

As it now stands, the SBOI can make rules insulating itself from provider's complaints, making a fair hearing so lengthy and convoluted that only John D. Rockefeller himself could afford a grievance.

The Second Reason for Higher Costs

An increased number of chiropractors is treating an ever-increasing number of patients. There are 45,000 chiropractors in the United States now with 8,300 in undergraduate school. Ten years ago there were only 22,200 and those chiropractors used very little diagnostic equipment beyond x-rays. A lesser number of chiropractors used ultrasound, rehabilitation equipment and the newer diagnostics such as surface EMG, thermography, CT scans, and MRIs.

Less than seven years from now the number of chiropractors will again double, their equipment will be more expensive and diverse, and rehabilitation will be routine. In short, the expenses will continue to rise for the carriers as the patients are better served.

The concept plays ol' devil Hob himself with the original idea of why the carriers allowed chiropractic in the first place. It was supposed to be a cheap entry into the competitive market. Suddenly it isn't so cheap anymore.

What the Carriers Fail to See

But they will still be less expensive than medical doctors because they reduce the number of expensive surgeries, lower the residual injuries considerably, and lower the average number of work days by each injured worker.

So to rid themselves of chiropractors would make their claims cost go up and their profits plunge downward. To see that amazing fact, which, incidentally, comes from their own figures, seems to be difficult. Probably because they don't want to see it; they're still working on the old, original idea.

The Profession's Job

The chiropractic profession must begin to police its ranks by increased education, especially regarding ethics. The practice builders who teach (i) routine x-rays for profit, (ii) keeping patients forever, (iii) and how to see 100 or more patients per day, and such like things, which are geared to profit at the expense of proper care of the patient, must be severely curtailed.

Chiropractors, as a general rule, and certainly through their institutions, have repeatedly tried to be a friend and have taken (impatiently) much abuse and deception with little litigation in response in their relationship with the insurance industry.

That role, however, is about to change.

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