

Chiropractic as a Covered Benefit

STUDY FINDS UTILIZATION "SUBSTANTIAL," IMPACT ON INSURANCE EXPENDITURES "MODEST"

Editorial Staff

No matter your economic background, health care is an increasingly hot topic these days. With more and more consumers looking for additional options from their insurance companies as prices continue to skyrocket, where do chiropractic and other forms of complementary and alternative medicine fit into the mix? And how much financial risk is involved for the insurance companies who choose to offer chiropractic and other CAM options as a covered benefit?

A recent study by William E. Lafferty, MD, et al., published in *The American Journal of Managed Care*,¹ offers a glimpse into what the future health care landscape might look like, particularly in terms of CAM availability and affordability. The study, "Insurance Coverage and Subsequent Utilization of Complementary and Alternative Medicine Providers," used western Washington state as the "laboratory" from which to determine how many people visit chiropractors and other CAM providers and what, if any, financial risks are involved when third-party payers decide to cover specific types of CAM. Washington was chosen because, since 1996, the state's "every category of provider" law has required that private health insurance cover all licensed/certified categories of health care providers on an equal basis.^{2,3}

The objective of the study was to evaluate how insured people utilize CAM and what role this utilization plays in overall health care expenditures. The study was one in a series based on a National Center for Complementary and Alternative Medicine (NCCAM)-funded project to examine covered services provided by four licensed provider types: chiropractors, massage therapists, acupuncturists and naturopathic physicians. The study analyzed three different health care plans in Washington with a total of 600,000 enrollees, from 18 to 64 years of age and "continuously enrolled for 12 months in a single, private health insurance plan."

Utilization by Provider Type

- Among the 600,000 enrollees, 13.7% made CAM claims. Of those enrollees, 10.9% made claims for chiropractic, compared with 2.4% for massage, 1.6% for naturopathic medicine, and 1.3% for acupuncture.
- Enrollees with insurance claims for chiropractic care were more likely to be women (12.3% vs. 9.4% of men) and older than age 40 (11.7% vs. 9.9% under 40). Enrollees also were more likely to reside in a rural county (15.2% of claims vs. 9.7% in more heavily populated areas) and to be a member of a preferred provider organization (14.7% for PPO patients vs. 10.1% for point-of-service and 7.8 for HMO).
- Musculoskeletal pain was the most common condition attended to at a CAM visit, accounting for 99.3% of visits to chiropractors (92.7% for massage practitioners, 72.7% for acupuncturists, 30.7% for naturopathic physicians, and 21% of conventional providers).
- Neurologic problems (headache, etc.) accounted for 6.2% of patient visits to chiropractors - more than conventional providers (5.2%) but less than the other three CAM professions (8.7% for massage, 13.2% for naturopathic medicine and 17.9% for acupuncturists).

Per-Visit Insurance Expenditures

According to the study authors, while "the number of people using covered CAM insurance benefits was substantial," the impact on insurance expenditures was "modest." They also suggested "requiring a gatekeeper's recommendation as opposed to self-referral may be the biggest disincentive to insurance-financed CAM use." Median per-visit expenditures were \$39 for CAM care versus nearly \$75 for conventional outpatient care; total annual expenditures per enrollee were \$2,589, of which only \$75 was spent on CAM.

The authors "did not expect to find that CAM care would account for such a small proportion of insurance expenditures. The data from the 1997 survey by Eisenberg, et al., estimated that CAM professional expenditures were between \$21.2 billion and \$32.7 billion, or about 1.9 percent to 3 percent of the total 1997 health care expenditures. Our estimate that CAM providers accounted for 2.9 percent of the 2002 private insurance expenditures is similar to these earlier national survey data. *Payers have resisted covering CAM providers in part because of a fear that coverage would result in large, steadily increasing and unpredictable expenditures for CAM services, not unlike the history of prescription drug coverage. Our study performed six years after the mandated inclusion of CAM benefits in Washington state suggests that this is not going to be the case*" [emphasis added].

Data from the National Health Interview Survey (NHIS), a 2002 supplemental survey on CAM use, was used to provide a U.S. comparison with the Washington state findings. In general, the study found that the "prevalence of CAM use among our claims data is similar to that among NHIS data (13.7% vs. 13.4%). Although we do not know why this is true, it suggests that insurance coverage of licensed CAM providers does not lead to runaway utilization."

The study authors give several possible reasons for their findings. "First, because the typical CAM patient's emphasis is on the treatment of musculoskeletal pain, the scopes of practice for many CAM providers overlap. This suggests that other CAM services such as massage and acupuncture may compete with the previously covered CAM service of chiropractic care. Second, although naturopathic physicians, and to a lesser extent acupuncturists, have broader scopes of practice, these services are used by a small fraction of the population. Third, CAM providers in our study practice a less expensive form of medicine. They provide virtually no inpatient services and they rarely use expensive diagnostic tools such as imaging technology."

According to the authors, "Our study is of national significance as insurance companies in the United States respond to consumer demand for an integrated CAM benefit. ... Future studies should evaluate the trajectory of CAM expenditures and the role of CAM in the health care marketplace, especially whether CAM therapies actually substitute for more expensive conventional care. Only then can the total impact of CAM integration on health care utilization be measured. As the number of CAM providers and the visibility of CAM services increase, the pressure on third-party payers to cover these services grows."

References

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