

Will You Survive Health Care Reform?

DO YOU SEE CRISIS OR OPPORTUNITY?

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The perfect storm refers to a meteorological event. The most famous of these was the horrible storm that sank a swordfishing boat called the Andrea Gail.

The story of the Andrea Gail and its crew became the basis for a bestselling novel and a blockbuster movie. The phrase "the perfect storm," refers to a simultaneous occurrence of events, which if occurring individually would be far less powerful than the result of their chance combination. Such occurrences are rare by their very nature. Even a slight change in any one of the events contributing to the perfect storm would lessen its overall impact.

The perfect storm bearing down on the chiropractic profession comprises three significant components. Number one is the rising cost of health care. Health care costs are rising at three times the rate of inflation. Health care in the United States is projected to reach almost 20 percent of the country's gross domestic product, yet nearly 47 million Americans remain uninsured. The U.S. spends more on health care than any other industrialized nation except Norway, which provides universal health care for its citizens. Yet the World Health Organization ranks the quality of the health care delivered in the United States as 38th among all nations! Health care insurance expenses are the fastest-growing cost component for most employers and this is forcing more employers to raise employees' co-payments, trim benefits or cut off insurance coverage altogether.

The second factor comprising our perfect storm is health care reform. A recent CNN presidential election poll asked, "What are the top three topics on the mind of American voters?" The number one issue was the economy. Health care reform was tied for number two with the war in Iraq. Health care reform, without a doubt, will be a major issue in the upcoming presidential election. Lobbyists project it will cost between \$5 million and \$8 million in lobbying fees for chiropractic to have a voice in the health care reform process. A lack of participation in this process could result in chiropractic becoming marginalized as a profession if it's excluded from national coverage.

The final factor is the Medicare Demonstration Project, which ended in March 2007. In this project, a selected group of chiropractors across the country were permitted to submit claims to Medicare for services beyond chiropractic adjustment of the spine. They were allowed to submit claims for the full scope of services permitted by their licenses. An analysis of the data collected will be presented to Congress in 2009. The report will determine if the dollars spent on covering full-scope chiropractic exceeded the amount that would have been paid if the project had not been implemented. If the Medicare dollars spent went beyond "budget neutrality," then dollars will be taken back from the 98940-98942 codes in 2010 and 2011; a potentially devastating reduction for chiropractic. Medicare represents an established component of national health care insurance in the U.S., and the risk of being left out of Medicare is the risk of being left out of reformed national coverage.

We're facing a perfect storm - rising health care costs, impending health care reform and the possibility of being left behind as Medicare moves ahead without us. What is giving rise to this storm? The primary impetus bringing these issues to the forefront of the nation's consciousness is

the aging of the largest demographic group in modern history. There are 78.2 million baby boomers. This is the group of people that were born between 1946 and 1964. In January 2008, the nation's first baby boomer, Kathleen Casey-Kirschling, began receiving Social Security. Another boomer reaches the big "six-oh" every seven seconds. As the boomers age, their needs are placing unprecedented demands on the entire health care delivery system. People 50 and older account for more than half of all health care spending.

The baby boomers represent the most affluent and influential section of our economy. As they move through their lives, the baby boomers' spending habits have had a dramatic effect on every facet of life. They have literally dominated the marketplace. When they were infants, the marketplace responded with prepared baby food. Before them there was no such thing as prepared baby food and this resulted in super-charged growth in that market. The market for jars of baby food moved from 270 million jars per year to 1.5 billion jars! As the boomers move through the phases of their lives, the market continues to respond to their every whim. When you hear music in the background of any popular ad on television, it's more likely than not to be a tune from the 1960s and 1970s.

A key trend in the spending habits of the baby boomer generation is its motivation to look and feel its best. As the baby boomers move into the sixth decade of their lives, they are approaching the aging process as a not-so-inviting prospect. They're doing everything in their power to slow down the process and to extend their lifespan with quality years. The boomers are expected to spend upwards of \$110 billion annually on wellness products and services. The chiropractic profession must pay attention to what the baby boomers have to say. They have spoken with clarity. They want high-quality, natural health care products and services that make them feel and look younger, give them increased energy, enable them to control their weight, help them strengthen their immune system and give them a high quality of life.

The major question facing chiropractors as they confront the uncertainty of health care reform is: Where does your practice fit into the substantial market being created by the baby boomer generation? There's an ancient Chinese motto that says, "Crisis is opportunity," which is to say that accompanying every crisis is an opportunity of equal potential. Health care reform presents a tremendous opportunity to reposition chiropractic in the marketplace.

Unhealthy lifestyle choices have been documented to cause more than one-third of all deaths in the U.S. Obesity soon might be the leading cause of preventable death. Poor diet and a lack of physical activity lead to 365,000 deaths each year. That's 15 percent of all deaths. It's important to note that most of the behaviors that precede the major causes of death, including obesity, have all begun by young childhood. The term "lifestyle diseases" has been coined to refer to the category of diseases caused by unhealthy lifestyle choices. Lifestyle choices are behaviors over which an individual has control. By helping patients make healthier lifestyle choices, chiropractors can have a major impact on illness and disease.

For more than 100 years, the chiropractic profession has adopted a business model based upon two components: the fee for an examination and the fee for an adjustment. A recent survey reported that only 50 percent of chiropractors offer their patients exercise instruction, nutritional advice or any other ancillary services. Providing these services could have a major impact on altering the unhealthy lifestyle decisions that patients make, resulting in preventable diseases. As we move ahead into the era of health care reform, our business model must change. It's been said that "diversification dominates," which means that when you do something that no one else does, you own the marketplace. In order for you to thrive in the years ahead, you must diversify your business model. As the baby boomers exert their market forces on the health care delivery system and the chiropractic profession confronts the pressures of health care reform, one choice becomes

obvious. That choice is to adopt a business model based upon delivering wellness services along with the traditional chiropractic services of examination and adjustment.

Where are your patients spending the health care dollars they could be spending in your practice while you're focused on delivering a chiropractic exam and adjustment? An overview of the five major trends in wellness spending provides a clear-cut strategy for how to diversify your business model.

Baby boomers are spending a huge amount of money learning how to eat healthier. This first trend is driving the ratings of the Food Network and has created explosive growth in the cookbook market. Chiropractors spend an average of 4 percent of their total postgraduate education studying nutrition. Why aren't you providing nutritional advice to your patients and charging for it? In addition, there are numerous chiropractic-friendly nutritional companies and other resources that can help support you in making simple, high-impact dietary recommendations to your patients.

The second trend in wellness spending is in the area of weight loss. The problem is that the boomers are calling Jenny Craig instead of you! They're flip-flopping between low-carb and high-fat diets instead of seeking sound information from their chiropractor. Provide your patients with great advice about how to manage their weight. Help your patients set appropriate goals and make the right long-term weight-management choices - and charge for it.

The baby boomers are going into middle age kicking and screaming. This is driving the third wellness trend: fitness. Where are people learning how to get in shape and keep in shape? From their athletic trainers and watching celebrity workout videos, none of which has the educational background and training you possess. Providing your patients with home-exercise instruction and supervised exercise within your practice is a significant opportunity. Provide fitness advice to your patients and charge for it.

Stress relief is the fourth trend in wellness spending. Who's delivering this service? There are all kinds of new-age gurus and alternative therapists who provide everything from aromatherapy to Reiki. More Americans are turning to massage therapy for stress-related tension relief and relaxation. What can you do? One sure way to ride this wellness trend is by integrating massage therapy into your practice. Massage is a natural fit in a chiropractic practice, and more and more chiropractors are working with massage therapists.

The fifth major trend in wellness is in the area of anti-aging and longevity. Where are people learning how to stay young? Oprah has Dr. Oz, and there are numerous infomercials touting products that propose to keep us young. Provide your patients with assessment and advice about how to make the healthy choices of exercise, proper diet, nutritional supplementation and, most importantly, smoking cessation. More than 20 percent of the U.S. population smokes cigarettes. Tobacco use is the nation's single most prevalent, avoidable cause of disease, disability and death. Your intervention can have a powerful impact in this area.

Embracing a diversified business model by delivering sought-after wellness services provides an additional benefit. Wellness services typically are not covered by health insurance and fall outside of the third-party payment system. Wellness is a cash market in which patients will readily spend their discretionary income. With this point in mind, it's important to clarify the difference between insurance-based and wellness services. Insurance-based health care is focused on the diagnosis and treatment of illness and disease. Only disease, illness and injury care have been assigned insurance-based code sets (CPT and ICD). Wellness services are focused on prevention and do not have diagnostic or procedural codes associated with them.

Adding wellness services to your practice doesn't mean you have to turn your back on insurance coverage. When a patient has acute-care health insurance, you should offer the service of accepting their insurance and generate an insurance claim form. Many battles have been fought in order for chiropractic to achieve its current level of inclusion and many battles remain ahead. Opting out of insurance-based care does a disservice to all of the chiropractors who fought, and continue to fight, for recognition as a profession. It further jeopardizes our ability to participate in a system of reformed health care coverage in the future. The key is not to determine which services you will provide based upon the limits of insurance coverage, but to diversify your business model to create non-insurance-dependent sources of income.

You'll be in better control of how well you navigate the approaching storm when you move beyond your antiquated business model to one specifically designed to meet the wellness needs of the baby boomer generation. When 45,000 chiropractors become better business people, we will be the number one health care choice. As he was getting on in years, Albert Einstein was asked, "What is the meaning of life?" He replied, "The meaning of life is service." There has never been a greater opportunity for the chiropractic profession to be of service. In the end, it's not a question of if you will survive health care reform, but rather, when will you realize you are health care reform?

FEBRUARY 2008