Dynamic Chiropractic

BILLING / FEES / INSURANCE

Are We in Danger of Losing Our Edge?

Donald M. Petersen Jr., BS, HCD(hc), FICC(h), Publisher

Over the past few years continuously mounting evidence has shown chiropractic care to be more efficacious, more cost effective, and according to patients, the preferred treatment above any other form of care for spine-related disorders. These are just a few of the studies demonstrating our effectiveness:

- In 1989, chiropractic patients were found to be "three times as likely as patients of family physicians to report that they were very satisfied with the care they received for low back pain (66 percent versus 22 percent, respectively)."¹
- In 1991, a study of Utah workers' compensation claims found that "cost for care was significantly more for medical claims, and compensation costs were 10-fold less for chiropractic claims."²
- In 1994, "spinal manipulation" was the only active intervention recommended by the low back pain panel for the Agency for Health Care Policy and Research.³

But our world continues to turn.

A recent issue of the American Medical News included an article discussing the changes managed care has brought to health care.⁴ The article reviewed a study conducted by Peat Marwick comparing the impact of care provided under "high managed care" vs. "low managed care." The results were as follows:

High Managed Care Low Managed Care

Hospital Costs 11.5% below national average 3.6% above Patient Stays 16.9% shorter than expected 17.5% longer Mortality Rates 8% lower than expected 2% lower

The most recent issue of The Back Letter included an article reporting an interesting study comparing the cost per episode for acute back care patients. Chiropractic care was compared to medical care and HMO medical care. Here are the results:

HMO Primary Care Physicians -- \$448 per case

Rural Primary Care Physicians -- \$515 per case

Rural Chiropractors -- \$657 per case

Orthopedic Surgeons -- \$771 per case

Urban Chiropractors -- \$814 per case

This study has not yet been published, so there is no way to assess the methodology, but the article suggests that the algorithms used by the HMOs may have made the difference. The Back Letter article also states that "(p)atient satisfaction was significantly higher among the patients seeing chiropractors when compared with any MD stratum."

The important point is to recognize that managed care is a new ball game with its own rules and ways of measuring efficacy. Thousands of DCs are currently involved in managed care, like it or not, and all providers are being measured against their managed care counterparts.

For years we have aspired to a "level-playing field," a position where chiropractic could fairly compete head-to-head with medicine. Research was beginning to look like chiropractic's entree onto that playing field.

But business segments have built a larger arena that is attracting the nation's attention. In the United States, politicians are looking to managed care to solve the problems of Medicare and Medicaid. It has become the "big show."

So while some back studies reveal that patients prefer chiropractic over medical care, and that the effectiveness of the chiropractic care was greater than its medical counterpart, the question is: Can chiropractic care continue to prove its cost effectiveness in the managed care arena?

When the MDs weren't as focused about cost control, they were no competition. Now they are fighting for their lives from the inside. It will require all of our resources and savvy to not only demonstrate chiropractic's cost effectiveness in managed care, but to do so while establishing chiropractic's proper place within HMOs, PPOs, and their health care algorithms.

For those DCs who wish to be involved in managed care (it's not for everyone), the challenge is before us.

References

- 1. Cherkin DC, MacCornack FA. Patient evaluations of low back pain care from family physicians and chiropractors. West J Med 1989 Mar;150:351-355.
- 2. Jarvis KB, Phillips RB, Morris EK. Cost per case comparison of back injury claims of chiropractic versus medical management for conditions with identical diagnostic codes. J Occup Med 1991 Aug; 33:847-852.
- 3. Bigos S, Bowyer O, Braen G, et al. Acute Low Back Problems in Adults. Clinical Practice Guideline No. 14. AHCPR Publication No. 95-0642. Rockville, MD: Agency for Health Care Policy and Research, Public Health Service, U.S. Dept. of Health and Human Services. December 1994.

4. Study: Managed care lowers hospital costs, improves quality. American Medical News, June 19, 1995:4.

DMP Jr., BS, HCD(hc)

SEPTEMBER 1995