

Cost of Care Project: Chiropractic vs. Medical Costs

Editorial Staff

During the 1990 ACA Economic Summit, organized by former ACA Board Chairman Dr. Louis Sportelli, the means by which the chiropractic profession could ensure its inclusion as a health care provider in any future federal health care legislation was explored. To arrive at this goal the association members, insurance, and research leaders, and health care economists attending the summit agreed that it was essential to develop convincing objective evidence of both cost and patient benefit of chiropractic. Based upon the recommendations derived from the summit, the ACA established special funding to support cost of care research.

The first step was to locate and access an appropriate health care claims data base. A search led to a proprietary data base developed and maintained by MEDSTAT Systems, Inc., a health care information company that maintains the health care claims experience of more than 4.5 million employed, insured individuals and dependents for many private corporations. MEDSTAT also provides design, programming, and analysis service for researchers and consultants for measuring health care markets.

The ACA next organized a project team: Dr. Miron Stano, a health care economist and professor at Oakland University; Dr. Jack Ehrhart, a medical doctor and health care consultant specializing in health care cost analysis; Dr. Thomas Allenburg, president of a chiropractic managed care company; and Dr. Howard Balduc, ACA vice president for Professional Information Development.

The project team sampled MEDSTAT's data base and agreed it possessed the type, quality, volume, and wide variety of diagnoses and data necessary for the cost comparison project.

The project team next tackled the requirements for the overall composition and the specific data elements of the claims information to be used from the data base: specifications from claims for 396,000 patients including 93,000 chiropractic users; and claims data for chiropractic services and all non-chiropractic outpatient and inpatient claims for 502 diagnoses of musculoskeletal or related conditions from July 1, 1988 through June 30, 1990. This includes the complete claims history for this period of any patient who received a chiropractic service for one of the 502 stated diagnostic codes. Also included in the data base are drug costs data where applicable. In addition, numerous population-based reports on chiropractic payments and utilization for 1,116,000 individuals insured under four different benefit plan types has been prepared.

Besides direct cost comparisons, the data base can support claims analysis of patients' health care preceding and subsequent to the service that produced one of the study's primary diagnoses, and claims analysis of all patient's receiving chiropractic care regardless of diagnosis.

Preliminary benefit analysis for all available diagnostic codes and selected individual and grouped lumbar and lumbosacral diagnostic codes has been accomplished. The results are now being verified.

Additional analysis are being planned and will be implemented in the very near future. The results of this on-going project will be published as they become available.

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