

## State Accident Insurance Fund (SAIF) Data Not Research Material

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The data derived from the 1988 SAIF provider payments report (CZP12-B) is not research material and should not even be considered as supportive evidence for any legislative reform. The SAIF summary reports violate every rule of scientific protocol. The raw data is suspect, the figures are manipulated to support a predetermined point of view and the interpretation of the data is flawed.

Consider the following regarding the nature of the data:

1. The list of "Medical Physicians" includes Mervyn's Department Store, K-Mart, Sears Roebuck, Emporium, and a host of shoe stores.
2. The list of "Chiropractic Physicians" includes Lincoln General Store, Northwest Cardiopulmonary Panel, and Kennedy, Bowles & Towsley (Attorneys).
3. A total of \$112,353.10 is shown as paid out, but is not charged to any claim!
4. There are very unusual payments listed throughout the report, including \$63,951.55 charged to a single claim in 1988 and listed as being paid to Learning Services Corporation in Boston, Massachusetts. Interestingly, the only address is a P.O. Box and directory assistance states that there is no telephone listing.

Consider the following regarding the manipulation of the data:

1. The types of claims being compared are different. Chiropractic claims are predominantly injuries of the neck and back, which have been repeatedly shown to be the most costly to treat. Medical physicians claims include a smorgasbord of injuries from broken fingers to stress claims. The SAIF data compares apples to oranges.
2. The "claims costs" listed are not claims costs. The figures represent only the payments made to various providers over the course of a 12 month period. For medical physicians, they reflect the cost of the office visit and all other costs involved in patient management. The SAIF data compares apples to oranges.
3. Crossovers are not accounted for, so many claims are counted multiple times. This would have the effect of increasing the provider count for MDs, thus artificially reducing the quotient when dividing total cost by number of providers.
4. Operational definitions are absent and methods of analysis are not described.

Consider the following regarding the interpretation of the data:

1. A representative of SAIF readily acknowledged that there are errors in the report, yet no effort is ever made to inform recipients of the report as to what those problems are.
2. The SAIF data has been extrapolated to the entire workers' compensation system in Oregon. Where is the justification for this? SAIF has reportedly been losing millions for years now, while the private carriers have all been making a profit.
3. Chiropractors, who received \$13.6 million from SAIF in 1988, have singled out as the major cause of the ills of the \$917 million Oregon workers' compensation system.
4. The only data being considered is "dollars paid to chiropractors." Neither SAIF nor any other party has considered the issue of effectiveness of care. Which type of intervention results in a more favorable outcome?

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