

Chiropractic More Cost-Effective Than Medicine Under Managed Care

Editorial Staff

A study of chiropractic utilization in managed health plans was among several groundbreaking papers presented at the Research Agenda Conference (RAC) in March 2003.^{1,2} The study, conducted by researchers from American Specialty Health and Health Benchmarks, Inc., was headed by Doug Metz, DC, chief health services officer, and Craig Nelson, DC, MS, senior health services research scientist.

The four-year study compared the experiences of 1.7 million patients in a California managed-care plan: 1 million members without chiropractic coverage and 700,000 with chiropractic coverage. Patients were divided into six groups, based on whether they enjoyed chiropractic coverage and whether they received chiropractic or medical care for their neuromusculoskeletal (NMS) conditions.

The researchers discovered that chiropractic care in the managed-care setting was more cost-effective on a number of levels:

- Total health-care costs - Patients with chiropractic coverage experienced 12-percent-lower costs than care provided to patients without chiropractic coverage. Much of this reduction was attributable to favorable patient selection.
- Low-back pain treatment episodes - Patients with chiropractic coverage experienced 28-percent-lower costs than patients without chiropractic coverage. than patients without chiropractic coverage.
- Fewer inpatient stays - Patients with chiropractic coverage experienced 9.3 stays per 1,000 patients, versus 15.6 stays per 1,000 patients for those without chiropractic coverage.
- Fewer MRIs - Patients with chiropractic coverage experienced 43.2 MRIs per 1,000 patients, versus 68.9 MRIs per 1,000 patients for those without chiropractic coverage.
- Fewer low-back surgeries - Patients with chiropractic coverage experienced 3.3 low-back surgeries per 1,000 patients, versus 4.3 surgeries per 1,000 patients for those without chiropractic coverage.
- Fewer radiographs - Patients with chiropractic coverage experienced 17.5 radiographs per 1,000 patients, versus 22.7 radiographs per 1,000 patients for those without chiropractic coverage.

According to Dr. Nelson, these findings could translate into a \$47.5 million savings over four years for the 1.7 million-member managed-care plan, if all 1.7 million members were provided with chiropractic coverage.

While the paper has not yet been published, the results were also presented at the World Federation of Chiropractic 7th Biennial Congress in Orlando at the beginning of May.

Although chiropractors tend to be critical of managed-health care, this study provides us with the best rationale yet for the inclusion of a chiropractic benefit in a health plan. The study reached these conclusions:

- The inclusion of a chiropractic benefit attracts slightly younger and slightly healthier subscribers.
- Most of the chiropractic care provided is a direct substitution for medical care.
- The cost per episode of chiropractic care for back pain and neck pain is much lower than for medical care.
- Overall, the inclusion of chiropractic benefits results in a much more conservative management profile of back pain (less surgery, in-patient care and advanced imaging) than in groups without a chiropractic benefit.

It is particularly important to note the substitution effect: Particularly in the current uncertain economic climate, it is extremely unlikely employers or health plans are eager to add benefits that will increase costs. This study shows that adding a chiropractic benefit does not add to the total amount of care (and therefore costs), but provides a lower cost alternative for patients.

Therefore, the overall effect of the chiropractic benefit was a favorable selection effect; according to the study, if chiropractic care is substituted for medical care, that care will be less costly and less invasive for back pain, and fewer invasive and expensive procedures will need to be performed. The net effect of these factors is a significant reduction in overall health-care costs.

Conversely, it is entirely legitimate to conclude from this study that not having a chiropractic benefit will add to total health-care costs.

Initially, this study will likely effect the decisions of health-care plans that have yet to offer chiropractic benefits to their patients. However, the study should also assist the chiropractic profession in a number of other ways, particularly in discussions with the U.S. Congressional Budget Office, which historically has refused to consider the cost-savings benefits that can be gained by including chiropractic.

References

1. Chiropractic comes of age at ACC-RAC 2003 Conference. *Dynamic Chiropractic* May 19, 2003: www.chiroweb.com/archives/21/11/01.html.
2. Nelson CF, Metz D, Legoretta A, LaBrot T. Effects of Inclusion of a Chiropractic Benefit on the Utilization of Health Care Resources in a Managed Health Care Plan. Unpublished.

