



# Complementary and Alternative Medicine (CAM) in Accountable Care Organizations

a white paper by The CHP Group



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## The Problem

Recent federal health care reform efforts have again highlighted the fragmentation that exists in the organization, financing, and delivery of health care services in the United States where silos of activity and information are the norm. This current state of healthcare financing and delivery often produces less-than-optimal results including poor health outcomes for patients, frustration for clinicians and unnecessary expense to payers.

## One Possible Solution: Accountable Care Organizations

Accountable Care Organizations (ACOs) emphasize a primary care provider as the key to coordinating quality patient care. However, ACOs have not taken advantage of complementary and alternative medicine (CAM) providers and their demonstrated abilities as trusted primary care providers. There is great potential for CAM to work as an integrated part of Accountable Care Organizations to benefit patients, improve the health of communities, and assist in managing rising costs.

## What Are Accountable Care Organizations?

ACOs are a recent innovation that has emerged in the context of health care reform. It is hoped that they can deliver on the promise to satisfy patients, improve medical quality, and make better use of the limited resources available to pay for care. However, discussions around Accountable Care Organizations have yet to integrate the full scope of necessary services, including complementary and alternative medicine.

Fisher et al (2006) proposed ACOs as an alternative to the individual provider focus of other suggested solutions. In Fisher's view, continuing to measure quality and outcomes at the provider level risks perpetuation of silos, especially among physicians and hospitals. Accountable Care Organizations, consisting of the hospital and its community of physicians (the "extended hospital staff"), would be able to use their size and scope to leverage performance measure-

ment and local accountability for capacity while demonstrating value through improved quality and lowered cost.<sup>1</sup>

- **Performance measurement.** ACOs encompass larger sample sizes, a broader scope of potential measures, and the feasibility of including all physicians who contribute to the care of a population within the frame of measurement. The administrative complexity of data collection methods and auditing procedures for 5,000 hospitals would be much less daunting than those required to collect and audit data on the 500,000 physicians practicing in the United States.
- **Fostering local organizational accountability for capacity.** The most important reason to focus on hospitals and their affiliated medical staffs is to establish accountability for local decisions about capacity. Higher spending across U.S. health systems is largely attributable to greater use of discretionary "supply-sensitive" services: visits, specialist consultations, tests, imaging services, and the use of institutional settings (rather than outpatient settings) for care. These findings are most consistent with an underlying causal model that highlights our current lack of accountability for capacity.
- **Intervening to improve quality and lower costs.** The third reason to focus on larger organizations relates to their capacity to invest in improving quality and lowering costs. Most physicians remain in solo or small group practices and have neither the capital nor organizational capacity to invest in health information systems, the implementation of care management protocols, or ongoing quality improvement initiatives. Hospitals or large medical groups are much better positioned to invest in such systems and to provide financial and technical support to physicians aligned with their institution.

Accountable Care Organizations have been thrust into the spotlight by the Patient Protection and Affordable Care Act. Some of the general features that are included are payment reforms that transition away from fees for units of service to shared savings, bundled payment and partial capitation and more robust measures of performance. A predicate of payment reform and performance measurement is a comprehensive and interoperable electronic health record that is shared across all of the stakeholders: patients, providers and payers. While ACOs have yet to be fully developed, much less to have demonstrated their value, existing “ACO-like” organizations (see below) have shown that care can be delivered while meeting some, or all, of “The Triple Aim” famously outlined by Dr. Donald Berwick during his time as the president of the Institute for Healthcare Improvement (see sidebar).

### Integrated Health System Model

- Geisinger has developed Proven Care® (<http://www.geisinger.org/innovations/index.html>), a product that bundles payment for all services for a given procedure and regardless of unanticipated costs of complications, re-admissions and so on. There is one price and guaranteed satisfaction. Twenty percent of payment to their in-house physicians is based on quality outcomes for cardiovascular disease, congestive heart failure, diabetes and depression. Their quality metrics are based on re-admissions and ER visits.
- A recent study, Integrative Medicine in America: How Integrative Medicine Is Being Practiced in Clinical Centers Across the United States, released by the Bravewell Collaborative, demonstrated the success of twenty-nine integrated health centers in treating chronic conditions. Seventy-five percent of these centers found improvements in care for chronic pain while more than 50% saw positive results for other conditions such as cancer, gastrointestinal problems, and depression.<sup>2</sup>

### Hospital-centric Model

Tucson Medical Center is engaged in collaboration with CMS, UnitedHealthcare, and Brookings. As reported recently, “CMS (Baltimore, MD) and UnitedHealthcare of Arizona (Phoenix, AZ) will each assist in funding the new Tucson Medical Center ACO (Tucson, AZ) at Tucson Medical Center (Tucson, AZ), part of TMC HealthCare (Tucson, AZ). At the outset, the Accountable Care Organization will include about a dozen employed physicians and 50-60 independent physicians on staff. The ACO structure, designed by the Brookings Institution and the Dartmouth Institute for Health Policy and Clinical Practice (Lebanon, NH), will build upon a two-year patient-centered medical home pilot that UnitedHealthcare financed in conjunction with major employers that preliminarily show a 4.5 percent decline in necessary ED visits and a 22.5 percent drop in unnecessary ED visits compared with non-enrolled patients. Primary care physicians at the hospital and in metro Phoenix will receive a monthly fee covering the cost of coordinating care for each enrolled patient and can also collect a performance bonus based on jointly agreed-upon clinical quality factors such as cholesterol, blood pressure and blood-glucose measures for diabetic patients. Brookings-Dartmouth will be the “external manager” of the ACO, which means it proposed methods to

### The Triple Aim and CAM’s Response

#### Improve the health of the population

CAM providers focus on the whole person, not just disease. They are also strong proponents of preventive care.

#### Enhance the patient experience of care (including quality, access, and reliability)

Patient satisfaction surveys suggest that those seeing CAM providers are more satisfied with their health care experiences than those seeing conventional providers.

#### Reduce, or at least control, the per capita cost of care

Evidence exists that shows CAM users cost less than those seeking care through conventional medicine alone.

base reimbursements on outcomes and value. UnitedHealthcare will attribute commercial and managed Medicaid patients to the ACO, and CMS will contribute Medicare fee-for-service patients. In addition, UnitedHealthcare will provide data and the IT infrastructure to deliver it. Tucson Medical Center and its affiliated physician groups, New Pueblo Medicine and Saguaro Physicians LLC (Tucson, AZ), already use a common EMR system. Patients will stay in their current plans and coverage will be seamless to them.”<sup>3</sup>

### **Physician-centric Model**

From a press release, “Vista Health System IPA (VISTA) and Central Jersey Physician Network IPA (CJPN) announced today the formation of Optimus Healthcare Partners LLC, an Accountable Care Organization (ACO). Optimus Healthcare Partners will provide the organizational platform where independent physicians work together to provide patients the right care, at the right time, in the right place, and at the right cost. Initially Optimus Healthcare Partners will enroll physicians from the combined 650 physician membership of VISTA and CJPN, then quickly expanding throughout New Jersey to include physician groups committed to the core mission of transforming healthcare delivery. Both IPA’s will continue separate operations as well. Thomas H. Kloos, M.D. President of VISTA, and Chief Executive Officer (CEO) of the new organization notes that “Optimus physicians will incorporate patient-centered principles of improved access to care, whole person orientation, evidence-based care management, enhanced care coordination, and new compensation models rewarding good patient outcomes that will lead the way in health care transformation. In these difficult economic times it is important for physicians to bring true health care value to their patients and the employers who provide healthcare benefits. For physicians who wish to remain independent, we offer an alternative to the absorption of their practices by a hospital system or a larger group.”

### **Oregon’s Response to ACOs**

In the State of Oregon, Coordinated Care Organizations (CCOs) are being developed with an

expected roll-out date of July 2012. CCOs share many of the same hallmarks of ACOs and will first target the state’s Medicaid members.

CCOs will be instituted on a community by community basis, allowing the organizations to respond to the particular needs of each area. The Coordinated Care Organization will be responsible for removing barriers to care and would require greater cooperation between primary care providers, specialists, dentists, and mental health professionals. The idea behind CCOs is that more coordination will lead to achievement of the Triple Aim. Not only will there be more access to care for patients, thereby promoting better health, but closer relationships between providers will reduce service duplication, leading to reduced costs. In addition, there is a greater likelihood that providers will be able to better understand the whole range of health issues that their patients are experiencing, rather than just those in their own area of expertise, certain to enhance the experience of already challenged patients.<sup>4</sup>

### **“Practice Transformation”: ACOs and CAM**

The goals of delivery system innovation represented by ACOs are improved primary care and enhanced value through leveraging information to improve quality and control cost. CAM providers can contribute significantly to both of these goals as primary care providers and/or as specialty care providers.

A large number of CAM practitioners are trained to provide portal-of-entry health care, and many are already doing it. There is early evidence that CAM providers in a primary care role deliver quality care at a reasonable cost. Many CAM therapies also have compelling evidence for clinical effectiveness and cost saving that can contribute improved value.

In a recent article in *Hospitals and Health Networks* Anath and Hassett observed, “Chronic diseases are often lifestyle-related, so managing them requires modifying behavior and providing personal support systems that educate, motivate, reinforce, reward and renew long-term personal commitment and resilience. While this

skill set is underdeveloped in traditional medical practice, it will be critical to achieving the goals of accountable care. As ACOs experiment with new delivery models, there is timely opportunity to learn from integrative approaches to health care that include lower-cost options involving higher levels of patient engagement and self-care.”<sup>5</sup> Understanding the ability of complementary and alternative care providers to leverage their skills in this area is key to seeing their value in the framework of Accountable Care Organizations. Many CAM practitioners already focus on providing care for the whole person, rather than just for specific illnesses, making them ideal partners in the success of emerging ACOs. In addition, many CAM practices have been shown to substantially improve the quality of life for patients with chronic diseases and pain.

In the Bravewell Collaboration’s new study, *Integrative Medicine in America: How Integrative Medicine Is Being Practiced in Clinical Centers Across the United States*, it was noted that acupuncture, yoga and massage were some of the CAM therapies integrated into the care of patients. In a majority of cases, the addition of these disciplines increased the patient’s health and satisfaction demonstrably. This study further supports the idea that the role of complementary and alternative medicine can be an important and positive one. It also suggests that when the totality of the individual’s needs are considered – physical, mental, and emotional – positive outcomes are much likelier.<sup>6</sup>

## Challenges Facing ACOs

Some observers of payment reforms through ACOs have pointed out significant obstacles. First, unlike insurers and health plans having enrollees, Accountable Care Organizations will have only an arm’s length relationship with patients. The relationship between the patient and the primary care provider will be key in determining which patient is attributed to which ACO and the quality of the information received. In addition, this provider will have the greatest impact on patient care. It is important to note that most primary care in the US is delivered by solo practitioners or small groups and it is unknown

whether these physicians will participate in Accountable Care Organizations. Complementary and alternative care providers may well be able to step into the breach where conventional providers are unwilling or unable to effectively participate with ACOs.

Another challenge facing ACOs is the likelihood that they will first be rolled out by the Center for Medicare and Medicaid Services (CMS) for Medicare populations. These patients are more likely to have multiple chronic conditions, multiple specialist providers and are often dependent upon hospital-based care rather than that delivered by a PCP.

Finally, the success of Accountable Care Organizations will be measured by fully integrated health information systems. The extent to which individual primary care providers have systems in place that can operate with the increasing levels of complexity envisioned by the ACO construct is questioned.<sup>7</sup>

## Leveraging CAM in the Delivery System

In the final analysis, the success of ACOs, particularly in commercial populations, will hinge on effective and efficient primary care. “Care needs to be coordinated and managed. Patients also need to be engaged and must take responsibility for their overall health care and treatments. This means communication and collaboration need to exist among all stakeholders – patients, providers, hospitals, the community and health insurance plans. Then, a “team approach” in which all provider staff plays a role needs to be adopted. Providers should also work with the patient to make him/her accountable for his/her own care. Getting providers to this point is known as practice transformation.”<sup>8</sup>

CAM should play a significant role in delivery system innovation. By the nature of their training and traditions, CAM providers create productive therapeutic relationships with their patients. CAM therapies have a substantial evidence base regarding effectiveness and safety. They have demonstrated exceptional clinical outcomes. Complementary and alternative medicine is often an attractive, lower cost

option. In fact, there is good evidence of cost effectiveness. In a study of several research papers dealing with CAM and cost-effectiveness conducted in 2005, significant savings were found for several services, including those for chronic pain, Parkinson's disease and Irritable Bowel Syndrome.<sup>9</sup>

It's not just complementary and alternative medicine patients who are satisfied. Studies also show that many conventional providers are willing to refer their patients to CAM providers, especially when dealing with chronic conditions.<sup>10</sup> The extent to which delivery system innovations like ACOs integrate CAM may well be an indicator of the organizational commitment to providing value. In addition, the increased focus on obtaining detailed information from primary care providers about their patients will require the ability to create close relationships between the two. Complementary and alternative care providers have demonstrated this capability.

Fortunately, some components of the federal Patient Protection and Affordable Care Act remove barriers for CAM providers to have more

input in the care of their patients. Section 2706 of the act demands an end to discrimination for all licensed health care providers acting within their scope of practice. This means that complementary and alternative providers can interact more freely with group health plans in providing services to their members.<sup>11</sup>

## Conclusion

Health care futurist and consultant, Ian Morrison, quotes his friend and colleague Mark Smith, MD, of the California Healthcare Foundation likening ACOs to the unicorn: "...a fantastic creature vested with mythical powers. But no one has actually seen one."<sup>12</sup>

While there are many questions and concerns about the ability of Accountable Care Organizations to achieve the Triple Aim, it is clear that a broader approach to providing quality care at lower costs is warranted. To that end, it is evident that a next step in creating these organizations will be harnessing the talent and expertise of an untapped resource in primary care – complementary and alternative care providers.

## Endnotes

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## About The CHP Group

The CHP Group (CHP) is a complementary and alternative health care organization built on a network of credentialed CAM providers. CHP partners with health plans and employers to increase access to high quality CAM care. With over 20 years of industry experience, CHP provides clinical insight into the disciplines

plus outstanding business expertise. CHP manages the provider network and provides administrative services in ways that enable health plans and employers to control costs while increasing overall quality.

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