



Complementary and Alternative Medicine (CAM): Cost-Effectiveness and Role in Health Care Reform

a white paper by The CHP Group



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The Problem

The United States faces dramatically rising health care costs. As one of its chief aims, health care reform seeks to improve both cost-effectiveness and quality of care. At the same time, there is still some skepticism about the role of complementary and alternative medicine in terms of its positive impact on cost-effectiveness.

The Solution: Complementary and Alternative Medicine - A Larger Role

Complementary and alternative medicine (CAM) has been shown to improve both cost-effectiveness and patient outcomes. In addition, CAM use has grown considerably in recent years, demonstrating a public acceptance of these disciplines. In order to positively impact the cost-cutting efforts of health care reform, complementary and alternative medicine must be a viable part of the treatment equation and considered an equal partner in providing quality health care by all payers.

Health care costs in the United States continue to rise, increasing by 3.9% in 2011 alone. Additionally, the Centers for Medicare & Medicaid Services (CMS) predict that health care spending will account for 20% of the Gross Domestic Product (GDP) by 2021. Along with cost, the way that Americans access care and the services they expect have changed in recent years. An increased focus on preventative care, a wider variety of prescription drug therapies, and a growing interest in CAM have all caused a shift in patient expectations and demands for health care coverage. In the 2007 National Health Statistics Report published by the National

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Center for Complementary and Alternative Medicine (NCCAM) - a branch of the National Institutes of Health (NIH) - stated that 38% of Americans already use CAM services and products. Additionally, 12% of children in America benefitted from CAM interventions in 2007. This number is expected to grow.

At the same time that spending for traditional medicine is increasing, studies have shown that CAM usage can help to control costs when used alone or in conjunction with conventional medical interventions. Similar reviews also indicate a high level of effectiveness and positive outcomes when CAM alone is employed. CAM providers are trained to treat the whole patient, not just their illness or injury, and some can even provide primary care as part of their discipline. This combination of effectiveness and lower costs makes CAM an important component in the reform of America's health care system.

What is CAM?

Complementary and alternative medicine (CAM) includes a wide variety of health care practices which may differ from conventional medical care. CAM is most often provided by licensed health care professionals such as chiropractic physicians (DC), naturopathic physicians (ND), licensed acupuncturists (LAc) and licensed massage therapists or practitioners (LMT/LMP). Many other complementary and alternative medicine therapies are used by patients who self-treat, such as nutritional supplements or yoga.

CAM is not always used in place of conventional medicine, but often as part of the treatment plan. Integrative care, a combination of conventional and CAM interventions, is used by both people who self-refer and are referred by their conventional providers to complementary and alternative medicine practitioners.

How Can CAM Help Control Costs and Increase Quality of Care?

CAM has several important components that can assist in cost-reduction and quality improvement. These aspects include a broader understanding of a patient's overall health and lifestyle, a greater familiarity with the impact of lifestyle choices and behaviors on health, and the ability to effect positive changes without the use of higher cost and more invasive procedures. Although by no means limited to one demographic, CAM users also tend to be healthier, more highly educated, and younger individuals who appreciate employers and health plans that offer a wider range of coverage options for such services. For many, however, complementary and alternative medicine is nothing new. Many Medicare Advantage plans now offer CAM packages to the older population who have long touted the benefits of services such as chiropractic.

By the very nature of their training and philosophy of care, CAM providers create productive therapeutic relationships with their patients, treating the whole person, not just their injuries or illnesses. CAM therapies have a substantial evidence base regarding effectiveness and safety. They have demonstrated exceptional clinical outcomes. In addition, complementary and alternative medicine is often a lower cost and least invasive option, showing exceptional value for cost. Specifically, in a study of several research papers dealing with CAM and cost-effectiveness conducted in 2005, significant savings were found for conditions including chronic pain, Parkinson's disease and Irritable Bowel Syndrome.

In order for CAM providers to play a real role in health care reform, it will be important for conventional providers to consider their

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CAM counterparts as equal partners in the delivery of health care. In fact, that's already happening. It's not just CAM patients who are satisfied with the results of the care they are receiving: studies also show that many conventional providers are referring their patients to CAM providers, especially when dealing with chronic conditions. In a 2007 survey of pediatricians, nearly 96% of the doctors believed that their patients were already using CAM and 71% stated that they were willing to refer their young patients to complementary and alternative medicine providers.

This acceptance is particularly important as one of the key components of health care reform is an increase in the ability and willingness of providers to share information about their patients. Collaboration between providers works to ensure that patients receive the appropriate level of care and that therapies and interventions do not work at cross purposes. CAM providers can contribute to this effort working as both primary care and specialty care providers.

A large number of CAM providers are trained to deliver portal-of-entry health care and many are already doing it. There is early evidence that complementary and alternative medicine 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 to 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 in achieving the goals of accountable care."

The additional information about patient health can be key to establishing the level of detailed data that health care reform needs

in order to ensure that health care providers each have a full spectrum of information. Such an understanding can help to avoid redundant and even counterproductive procedures and prescriptions thereby reducing costs.

It's not an all or nothing proposition, however. 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 CAM 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 more likely through integrative medicine.

In a recent review of studies on the cost-effectiveness of complementary and alternative medicine, professional economist and NIH-funded researcher Patricia Herman, M.S., N.D., PhD, found proof of savings for treatments as diverse as acupuncture to treat breech deliveries to naturopathic medicine for low back pain. The work, published in the *British Medical Journal Open* suggests that it's time to accept the real savings made possible through the use of CAM.

Chronic conditions - which are health care's biggest cost driver - seem to be especially well suited to the positive impact of complementary and alternative medicine. A review published in the *Archives of Internal Medicine* and funded by the National Center for Complementary and Alternative Medicine delved into 29 studies involving almost 18,000 patients. It concluded that acupuncture was more effective in treating chronic pain than other interventions. Four causes of chronic pain were singled out in these studies: back and neck pain, osteoarthritis, chronic headache, and shoulder pain¹. Work

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has been done with similar results regarding the use of acupuncture to treat fibromyalgia and chronic knee pain.

When it comes to specific figures regarding the cost comparison between CAM users and those who rely solely on conventional medicine, a 2009 study of health care expenditures in Washington state found that CAM users' costs were significantly lower. Not only did CAM users spend less on services from conventional providers, but also on inpatient services and other outpatient services like imaging and physical therapy. This was despite the CAM users' average of \$630 in spending for complementary and alternative medicine services.²

Aside from all of the excellent cost and quality related arguments for increasing the role of CAM providers in patient care, one of the most convincing may be the law itself. Various sections of The Patient Protection and Affordable Care Act address the role that complementary and alternative medicine providers be allowed to play in the health care system. In Section 2706 of the act, discrimination against all licensed health care providers acting within the scope of their practice is prohibited. Section 3502 of the same act also provides for the participation of doctors of chiropractic and other licensed CAM providers in community-based teams delivering patient-centered health care.³ In states such as Oregon, the law has been implemented to reinforce this idea. As an example, chiropractors routinely offer several of the services that are performed by conventional medicine providers acting in this capacity. Annual physical exams, screening and wellness blood work, resting electrocardiograms, lung function testing, nutritional counseling, and obesity prevention and treatment are all within the practice parameters for doctors of chiropractic.⁴

Conclusion

As health care reform advances, the discussions over the cost, quality and effectiveness of American's health care system will continue. Efforts to decrease health care spending while preserving quality of care and patient satisfaction have become a national focus. The greater use of complementary and alternative medicine is one important aspect of these efforts. For employers, offering CAM coverage promises to attract and retain highly educated and dynamic employees who are committed to maintaining their health and effectiveness. For payers, complementary and alternative medicine offers the advantage of high quality and lower-cost interventions that have proven their efficacy when it comes to treating some of the most common and costly chronic conditions. In the final analysis, study after study has shown that CAM disciplines not only improve quality of life and health outcomes, but they can do so more affordably.

Endnotes

- 1 <http://archinte.jamanetwork.com/article.aspx?articleid=1357513#qundefined>
- 2 Lind, Bonnie K., Comparison of Health Care Expenditures Among Insured Users and Nonusers of Complementary and Alternative Medicine in Washington State: A Cost Minimization Analysis. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3110809/>
- 3 Feigenbaum, Ph.D., E.. "Alternative Medicine and Health Care Reform". Lifestyles of Health and Sustainability Website. LOHAS. December 17, 2010. Web.
- 4 Letter from State of Oregon, Legislative Counsel Committee to Representative Jim Thompson. September 12, 2012.

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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