H. 487 Expanded Chiropractic Services

Estimate of New Costs: E&M Codes for New and Established Patients, based on an average of 7,031 Medicaid beneficiaries receiving chiropractic services annually.

New Patient E&M		**Cost for New Patient** *(one visit only)*
Code	**Rate**	
99202 (low)	$59.14	$415,813
Average	$72.34	$508,587
99203 (high)	$85.53	$601,361
Established Patient E&M		**Cost for Established Patients** *(one visit only)*
Code	**Rate**	
99212 (low)	$34.71	$244,046
Average	$45.89	$322,653
99213 (high)	$57.07	$401,259
New and Established Patient E&M together		**Total Cost** *(2 total visits)*
Low		$659,859
Average		**$831,240**
High		$1,002,621

99202 and 99212:

Requires 3 key components:
1. A problem focused history;
2. A problem focused evaluation;
3. Straightforward medical decision making.

99203 and 99213

Requires 3 key components:
1. A detailed history;
2. A detailed evaluation;
3. Medical Decision making of low complexity.

Vermont Medicaid Cost Analysis: Receiving vs. Not Receiving Chiropractic Services for Beneficiaries with a Primary Diagnosis of Back Pain.

Cost Summary: Professional Services, Inpatient, and Outpatient Claims Combined

SFY Date of Service	Group	Paid Amount	PMPM	Unique Beneficiaries	Average Cost/Beneficiary
2013	Receiving Chiropractic Services	$2,729,424.83	$352.55	739	$3,693.40
2013	Not Receiving Chiropractic Services	$3,597,257.99	$33.43	10,120	$355.46

Cost by Claim Type

SFY Date of Service	Group	Claim Type Description	PMPM	Difference
2013	Receiving Chiropractic Services	PROF. SERVICES (HCFA1500)*	$208.17	$187.05
		INPATIENT	$760.34	($48.36)
		OUTPATIENT	$112.00	$83.45
2013	Not Receiving Chiropractic Services	PROF. SERVICES (HCFA1500)	$21.12	($187.05)
		INPATIENT	$808.70	$48.36
		OUTPATIENT	$28.55	($83.45)

PMPM for Professional Claims by Category of Service Type*

SFY Date of Service	Group	Claim Type Description	Category of Service Type	PMPM	Total PMPM
2013	Receiving Chiropractic Services	PROF. SERVICES (HCFA1500)	Chiropractic	$2.70	$12.78
			Other	$7.21	
			Physical Therapy	$2.87	
2013	Not Receiving Chiropractic Services	PROF. SERVICES (HCFA1500)	-	-	$9.03
			Other	$5.76	
			Physical Therapy	$3.27	

Evaluation of the Demonstration of Expanded Coverage of Chiropractic Services under Medicare

The Following is excerpted from the full Report to Congress[1]**:**

Demonstration of Coverage of Chiropractic Services under Medicare:

Purpose: The demonstration was mandated[2] "for the purpose of evaluating the feasibility and advisability of covering chiropractic services under the Medicare program (in addition to the coverage provided for services consisting of treatment by means of manual manipulation of the spine[3] to correct a subluxation described in section 1861(r)(5) of the Social Security Act . . . ."

Cost neutrality requirement: Statute required that aggregate payments made under the Medicare program did not exceed the amount that would have been paid in the absence of the demonstration.

Time frame: Conducted from April 1, 2005, to March 31, 2007.

Coverage: Greatly expanded the lists of neuromusculoskeletal (NMS) diagnoses, diagnostic tests, and chiropractic treatment modalities eligible for Medicare coverage.

Additional details:

- Took place in four geographically diverse regions (including five states: Illinois, Iowa, Maine, New Mexico, and Virginia), consisting of two urban and two rural regions, and with each type having a Health Professional Shortage Area (HPSA).
- Chiropractors practicing within any demonstration region were eligible to participate on a voluntary basis.
- The full Report to Congress (link above) constitutes the final evaluation of the demonstration and includes analysis of the full 24 months of the demonstration, examines possible cost offsets to expanded coverage of chiropractic services, and assesses budget neutrality from Medicare's perspective.

Conclusions:

1. Medicare expenditures for chiropractic services in expanded service users increased by $56.2 million more in demonstration than comparison areas.
    a. $34.8 million for expanded chiropractic services
    b. $21.3 million for standard chiropractic services because of the increased numbers of expanded chiropractic users.
    c. Office visits increased by 60%.
2. The All NMS User analysis found **a total increase in Medicare costs of $114 million, a figure 3.3 times those for expanded chiropractic services alone (34.8M).** The Chiropractic User analysis found a total increase of $50 million or 1.4 times the amount for expanded chiropractic services (38.4M).
3. The large majority of cost increases occurred in urban non-HPSA areas and, especially, in Chicago, IL and its suburbs.
4. Chiropractors indicated that the main effect of the demonstration was to shift payment for chiropractic services from the patient or from other insurers to Medicare and that it had little or no effects on practice volumes, patterns of services provided, or net practice incomes.
5. Medicare beneficiaries reported good relief of symptoms and high degrees of satisfaction with the chiropractic care they had received.

[1] http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Reports/downloads/Stason_ChiroDemoEvalFinalRpt_2010.pdf
[2] Section 651 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) (Pub. L. 108-173)
[3] These services are currently covered under Vermont Medicaid and receive federal match