

Key Factors of the United Healthcare Analysis

Key Factors of the UHC Study:

(Information obtained from pages 4 & 5 of analysis)

- Date Range of Analysis: Third Quarter of 2010 – Third Quarter of 2011
- Orthopedic conditions were the largest cost category at 17% (25% of UHC beneficiaries)
- 46% of Orthopedic costs represented spinal cases
- Less than 80% of spine cost were non-surgical

UHC reviewed the current state of spinal care and noted:

(Information obtained from page 7 of analysis)

- There is a focus on assigning a diagnostic label that was often invalid or not useful
- The first provider exerts substantial influence on the care pathway and costs of treatment
- Many patients incur significant expense soon after initial consultation (imaging, RX, etc.)
- The Provider-centric system (doctor-controlled) does little to foster health and economic benefits for patients

Once UHC learned that the Entry point of these conditions drove the majority of the dollars they looked to see who these providers were:

(Information obtained from pages 10 & 11 of analysis)

- There are 173,000 different in-network providers functioning as portal of entry
- Only 35% of these portals were chiropractors
- Episode entry point appears to be associated with variable care pathway and costs (see Exhibit A)
 - In using chiropractors as a proxy for appropriate non-surgical pathways, there is a potential \$219 million dollar risk adjustment for non-surgical spinal care. This would encompass 1.4 million episodes of 4 million members over a span of 2.5 years.

Conclusion:

After the complete analysis was conducted, the general consensus showed focus should be given to the portal of entry for these conditions. There were too many minor procedures performed with little to no impact on the patient outcome based on the standard of spinal care. Conservative management needs to be increased and conditions of this nature should be managed by a chiropractor. The patient outcomes and estimated dollar savings were overwhelming evidence of this result.