HELLO FRIENDS & COLLEAGUES. This e-mailing is a little different than those you’ve yet received. In the first part, in particular, I’m look for your feedback or insight. I expect I’ll use what I learn here in a future INTEGRATOR. I will definitely digest and re-submit to I/H subscribers what I learn, for your future use and mulling. So, please observe the interactive rule below:

I/H INTERACTIVE RULE: With these e-mailing, I/H reverses the usual media approach regarding being on the record. With usual media, you must assume you are on the record unless you are specifically off (and you trust the reporter!). HERE, if you have any response or feedback, I will assume that it is NOT for attribution UNLESS you specifically let me know that you are ON THE RECORD with your comments.

1) THE STRANGE STATE OF PMPM RATES FOR CAM SERVICES: WHAT EXPLAINS IT?

A surprising array of PMPM rates for diverse CAM services have come to me over time. I am looking for your feedback and insights into what is going on here. Also, any additional information you might be willing to share about rates you offer, or about which you are aware.

CASE 1: A network offers a broad-based CAM affinity product (not a covered benefit), with diverse CAM providers (licensed, plus yoga, etc.) via directory, also natural products, fitness, etc., which contracts with a significant employer for its network. The PMPM rate? $2.00 -- $2.75 range.

CASE 2: Alternare of Washington in early contracts with major health plans credentialed massage practitioners, acupuncturists and naturopathic physicians, set payments rates, and managed billing and payment of covered services in a PPO-type set up. In a June Capitation Management Report, Alternare shared the following PMPM rate: $0.08.

CASE 3: A CAM network goes AT RISK on a chiropractic and/or acupuncture benefit. The characteristics: direct access (no gatekeeper); 10-15 total visits/yr of one or the other; $10-$15 co-pay. Network does all credentialing, billing, management, etc. The PMPM rate? $1.00 -- $1.50 range.

Your thoughts, insights, reactions, questions are welcome.

2) CONTROLLED STUDIES, MILLIMAN & ROBERTSON AND CAM GUIDELINES

One of the core questions in integration regards the polarization of science -- in particular the relative status of controlled studies in clinical decision making in the mainstream vs CAM. I treat this subject at some length in Section 5 of the NIH paper on Operational Issues we’ve sent out to
each of you. (Let us know if you haven’t received one and we’ll get one off.) An excellent recent contribution in this conversation is Larry Dossey’s two page column from the November (Vol 4, No 6) Alternative Therapies in Health and Medicine. The article is called: On Double-Blinds and Double Standards: A Response to the Recent New England Journal Editorial (pages 18-19). Dossey’s is a good, balanced rejoinder to the NEJM claim that there is a double standard which favors CAM. (“Alternative Medicine -- The Risks of Untested and Unregulated Remedies” by Marcia Angell, MD, and Jerome P. Kassirer, MD. New England Journal of Medicine, 1998; 339:839-841; 9/17/98.)

Below is an additional contribution on the topic, with tongue partly in cheek. This piece is from my column, “Charting the Mainstream,” published in the Townsend Letter for Doctors & Patients. A number of readers have enjoyed it and contacted me about it. Some have asked how to get the Milliman & Robertson (M&R) materials which are cited. I have included contact information for M&R at the end, should you be interested in obtaining a copy of their brochure. The column is in an abstract-comment format. Enjoy -- I hope you find it useful!

*****

M&R Guidelines on Healthcare Management: IN WHICH MOSES CLARIFIES THE ORIGIN OF THE COMMANDMENTS

Milliman & Robertson (M&R), a national healthcare consulting firm which developed widely utilized “healthcare management guidelines” has published a bulletin to clarify usage. The brochure provides insight into the process for development of these tools which assist health care systems in both clinical and economic management of care. M&R’s guidelines are in seven substantial volumes, focusing on topics which range from “Inpatient & Surgical Care” (Vol. 1) to “Ambulatory, Primary and Pharmaceutical Care” (Vol. 5). The goal is “quality” care (“the attainment of the desired health status, with patient satisfaction”) and “efficient” care (“the production of the desired outcome without wasting resources, effort, or expense”). The firm believes that “efficiency and quality converge.” With these twin goals, the M&R guidelines are developed by teams of both clinicians and actuaries.

M&R clarifies that their guidelines are based on “best observed practices throughout the country and on published research.” The brochure notes that “some authoritative estimates put the proportion of current healthcare practices supported by controlled scientific studies at about 15%.” Again: “While our guidelines are not all based on controlled scientific studies, neither are the vast majority of current clinical practices.” The reason for the brochure appears to, in part, be a protection against liability for any clinical decision made based on M&R recommendations. The document boldly states that using the guidelines alone as a basis for denying authorization for treatment is “using them inappropriately.”

COMMENT: Practice guidelines for optimal complementary and alternative medicine (CAM) integration represent one of the focal points of the current CAM integration exploration. CAM providers are frequently, to use the poet T.S. Eliot’s graphic phrase from The Lovesong of J. Alfred Prufrock, “pinned and wriggling on the wall” by mainstream medical managers when asked to supply the scientific evidence base for their CAM practice decisions.

So it is pleasing here to have M&R down from the mountain, as though Moses were asked to explain the true origin of the 10 commandments at a town meeting. M&R shocks the crowd by revealing that God (controlled scientific evidence) is conclusively present only 15% of the time. This low appearance rate would have left the Old Testament God, of course, in an equivocal relationship with 8.5 of the 10 commandments. The remaining guidelines are products of the well-known biases built into the human-all-too-human process of “expert panels.” This ungodlike situation represents serious failure to perform even -- as a batting average.
However, this shortcoming of conventional medicine may be cause for the CAM provider to take the pin of science by which he or she was unceremoniously impaled on the wall, out of his or her eye and, remaining in the Old Testament for a moment, take out the eye (for an eye) of the conventional medical manager. In a more forgiving mode, the CAM provider may simply offer to pull together a panel of experts (leaders at CAM schools, CAM researchers, etc.) who will assemble the best evidence on CAM practices, a human-all-too-human process of their own. Together the M&R panel of human experts and the CAM panel of human experts may then get together and pray, as follows: Trust in us, as we have been asked to trust in you. It is not science but prejudice which is the greater barrier to appropriate CAM integration. The lead therapeutic modality needed to remedy this is humility, by all parties.


QUERY: I am told that the 15% is from outcomes guru, David Eddy, MD. Do any of you have the citation? If so, please pass it to me, and I will forward it.

____________________________

End
INDUSTRY/HEALTH FEEDBACK LOOP #1, January 1999.
____________________________

INDUSTRY/HEALTH SUBSCRIBER

FEEDBACK LOOP #2, FEBRUARY 1999

1) Toward Industry Cooperation on ADD-ON VERSUS REPLACEMENT (AOVR)
2) Identification of AOVR explorations and models presently under way
3) Your availability for possible I/H Meeting on AOVR at NMHCC in Atlanta

A Service for the INDUSTRY/HEALTH Subscriber

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1999

HELLO FRIENDS & COLLEAGUES. This is the first I/H mailing on a cooperative agenda issue: ADD-ON VS REPLACEMENT (AOVR). I have, through phone interviews, already located significant interest from some substantial CAM networks. PLEASE RESPOND TO THE QUESTIONS BY 2/20. I will then report to you the parties who are interested and we can move toward setting an agenda.

Please RESPOND BY LIFTING THE QUESTIONS into your e-mail response. This will make life easy for me. Send to pihcp@aol.com (my direct e-mail address).

This is an exciting prospect. As always, please observe the I/H INTERACTIVE RULE at the end of this mailing.

John Weeks

1 TOWARD INDUSTRY COOPERATION ON ADD-ON VS REPLACEMENT (AOVR)
The AOVR question is the central question in CAM coverage. All else being equal (which of course it isn’t), AOVR determines whether a given CAM treatment should be core benefit or rider. AOVR also determines whether a service should be proactively recommended (as more cost-effective care) or merely passively allowed (discounted access).

From an industry standpoint, the opening of the market -- the expansion of the pie -- rests on AOVR data. With clear evidence of offsets, the case for proactive use of CAM services gains a foundation in evidence, rather than assertion.

Yet it has become clear that little work is presently under way to answer this core question. This INDUSTRY HEALTH FEEDBACK LOOP evaluates your interest in exploring and creating strategies for collaboration in answering these questions.

BACKDROP: 10 BOTANICAL FIRMS UNITE IN RESEARCH AGENDA

While thinking of this I/H cooperative agenda, news hit the e-mail that 10 leading firms in the botanical industry -- competitors -- have come together for research at Harvard. We have calls in to colleagues involved in this consortium. We will report back their model.

Why not approach AOVR as a similar consortium of interests?

THE CASE: ALL OUR BEST AOVR DATA IS FROM OUR OWN INDUSTRY

It struck me while writing the "viewpoint" in the 12/98 INTEGRATOR on AOVR that all of the data was from CAM network funded surveys: Landmark Healthcare (1997), Alternare Health Services (1997) and American Specialty Health Plans-Stanford (1998). As you may recall, the data is intriguing:

*** 30% to 65% of consumers believe there are cost offsets
*** there appears to be a dose-response relationship in consumer perception: the greater the intervention, the higher likelihood of perceived offset.

This albeit limited evidence base suggests that the momentum -- the INTEREST -- in getting at the bottom of this rests with the pro-active industry. Notably, a significant subset of the clinics in THE INTEGRATOR Integrative Clinic Benchmarking Survey is also planning to explore AOVR. I know that the I/H academic centers and CAM professions are interested.

WHY HEALTH PLANS ARE NOT ASKING THE AOVR QUESTION

While I gather that some plans are beginning to think about looking at AOVR, few if any have done anything significant. In my experience, most medical directors: 1) believe that patients overstate the cost-offsets, and have a bias to do so; 2) think that survey data from CAM consumers is worth little to nothing unless backed up by analysis of claims data over a long period of time; 3) don’t have the time or money to ask the question; and perhaps most important, 4) are too swamped with other issues to even begin to approach this proactively, much less to approach it creatively.

SOME INITIAL THOUGHTS ON HOW COOPERATION MIGHT WORK

Initial conversations with I/H subscribers have netted the following types of potential value in cooperation:

*** sharing initiatives currently underway
*** sharing strategies on working with health plans or purchasers
*** creating survey or research templates as tools for those exploring AOVR
*** creating agreement on templates for use by diverse CAM businesses with diverse partners and populations, to make outcomes more robust.

In short, we make AOV a squeaky wheel in our busy lives -- and start getting some real work done on this core issue.

RESPONSE QUESTIONS

As usual, if you consider anything proprietary at this time, just leave it blank.

Name ________________________________  Firm _________________________________

1) Are you interested in I/H collaboration on AOV?  Y ______  N ______

If YES, would you be interested in a meeting at NMHCC-Atlanta?  Y ______  N ______
(The NMHCC is 3/28-4/1)

If YES, what dates are you in Atlanta:  Arrival date ________  Time ________

Departure date ________  Time ________

2) Are you currently involved in an AOV research?  

Y ______  N ______

If YES, do you have any institutional partners:  Y _____  N _____

If YES, with whom? _________________________________

If YES, would you share your strategy/templates?  Y ______  N ______

If YES, who is the key contact in your organization on AOV:

Name ______________________    Title _______________________  Phone ____________

UNLESS YOU TELL US OTHERWISE, we will assume all that is above is share-able information.

3) Comments or suggestions on how to proceed. Please include any additional comments below. Observe the I/H rule on sourcing your comments.

We look forward to your responses.

__________

I/H INTERACTIVE RULE: With these e-mailing, I/H reverses the usual media approach regarding being on the record. With usual media, you must assume you are on the record unless you are specifically off (and you trust the reporter!). HERE, if you have any response or feedback, I will assume that it is NOT for attribution UNLESS you specifically let me know that you are ON THE RECORD with your comments.

__________

INDUSTRY/HEALTH SUBSCRIBER
AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

NOTE TO I/H SUBSCRIBERS: We are gaining a sense of this process of information creation, and etc. Starting this week, we plan to send off an e-mailing of some kind at close of work on Fridays so you will have it there when you arrive on Monday. The reasons: 1) This will make our missives more timely; and 2) you will not be sent so much at once (as below). The following is early delivery of material which will be in your next INTEGRATOR.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

Integration Conferences Update

Note: A more thorough conference listing for the spring was printed in the December 1998 issue.

Developments

Eisenberg to headline NMHCC track. David Eisenberg, MD, will deliver the kick-off presentation at the National Managed Health Care Congress track. INTEGRATOR publisher-editor John Weeks, the track chair, who was originally scheduled to give the presentation explains simply: “We want to draw people into the CAM conversation and David Eisenberg has been a giant in this movement.” Weeks remains involved as a moderator throughout the seven session meeting. Funding for the change came available when San Diego-based American Specialty Health Plans came aboard to sponsor the track. ASHP has sponsored numerous CAM events in the past two years, including the Casa Colina WholeHealth Forum, the annual meeting by the publishers of Employee Benefits News, and the Healthcare Forum meeting scheduled for Honolulu in early February. The NMHCC has also scheduled a CAM debate, which pits National Council Against Health Fraud’s John Renner, MD, against James Dillard, MD, medical director for Oxford Health Plans. March 29-April 1: 888-882-2500

A two-day event in San Francisco in June on integrative clinic skills training, developed by Cambridge Health Resources (CHR) together with Linda Bedell Logan’s Solutions in Integrative Medicine has been firmed up. However, the broader In Health conference which CHR was paired has been canceled for lack of major sponsorship, according to Marcy Robinson. Robinson heads up planning and sponsor relations for CHR. Robinson recently announced that the five speakers include: Bedell-Logan (sessions on practice management), Lynn Budlong, of Budlong, Glassanos and Company (sessions on business development -- Budlong has worked in this arena for the Harvard team assembled by Eisenberg), Russell Greenfield, MD, a resident at the University of Arizona Center for Integrative Medicine
The HealthEast Office of Medical Education is sponsoring its 3rd Annual Conference on Integrative Medicine. This one is entitled: A Scientific Session on Complementary and Alternative Tools in Primary Care. INTEGRATOR advisor Chris Foley, MD, has the lead in the day-long meeting scheduled for April 24. Prom Banquet Center, Woodbury, Minnesota. 612-232-5225

Bruce Takata’s ambitious International Conference on Integrative Medicine, which seeks to draw over 3000 CAM professionals, administrators and executives to Seattle for an April 30-May 2 session has finalized its program. The Bastyr University integrative medicine track, developed by CAM consultant David Matteson, Pam Snider, ND, and others at Bastyr will include Andy Fallat, CEO of Evergreen Hospital, Bastyr's neighbor; clinicians with the Cancer Treatment Centers of America integrative MD/ND/LAc programs; and clinical leaders with the publicly funded, King County Natural Medicine Clinic; and CAM leaders among elected officials Deborah Senn, Washington State Insurance Commissioner, and County Councilmember Kent Pullen, the lead back of the natural medicine clinic.

On the Horizon

The medical schools at Stanford and Harvard are planning a fall conference, scheduled for October 15-17, at the Sheraton Palace in San Francisco.  While materials are not yet available, INTEGRATOR advisor Kenneth R. Pelletier, PhD, MD (hc), at Stanford, says faculty will be drawn almost entirely from the CAM teams at the two schools. Pelletier says the focus is expected to be on practical applications and evaluations of CAM in large corporations, MCOs, HMOs, hospitals and clinics. Preliminary program is expected in mid-February. 650-725-7257

In early January, AIC Worldwide put out initial feelers to prospective speakers on a June 14-16 integration conference planned for Alexandria, Virginia. Early materials on the proposed two day event ($1200-$1500) suggest that AIC is cookie-cutting the executive briefing formula initiated by Institute for International Research in December of 1995. AIC’s first such offering was in November of 1996.

On June 14-16 “Gaining Corporate Interest in Integrative Medicine: Update on Major Firms” will be offered by Hermann Health Care System, Houston, TX. According to Mary Helen Morosko, Manager for Special Events, the line-up is to include Kenneth R. Pelletier, PhD, Leland Kaiser, PhD, James Gordon, MD and Mary Ann Richardson, PhD. (713) 744-2062

Conference Wrap: Turnout

The September 1998 two-day how-to conference on integration sponsored by AIC Conferences (NYC) and chaired by INTEGRATOR editorial board member Lee Launer ($1200) reportedly drew about 75 attendees ... Turnout at the October 1998 Congress on Alternative Therapies in Arlington, VA, sponsored by Larchmont, NY-based publisher Mary Ann Liebert (MAL) through MAL’s conference subsidiary, BioConferences International, was very low. Conference organizer, Michael Hurley, is no longer with BioConferences and the firm has not yet decided whether to sponsor their annual meeting in 1999... In January, the Leland Kaiser Institute’s Fellowship in Integrative Medicine successfully kicked off its first week-long gathering for its 1999 $20,000 Fellows program. See Colorado in Business Developments section, this issue...
positively by conference organizers given a disappointing turnout for the overall conference. Among CAM exhibitors at the four-day NMHCC event were Alignis, AlternativeLink, American Specialty Health Plans, American Chiropractic Network/American Complementary Care Network, and HealthNotes. NMHCC initiated an Alternative Medicine Pavilion for CAM-related exhibitors, which it plans to expand in Atlanta. Organizers of the November WorldMed conference in Los Angeles similarly report a quality turnout, but lower than planned.

2 BUSINESS DEVELOPMENTS

Pennsylvania The Inner Harmony Wellness Center is serving diverse CAM services to a conservative central Pennsylvania setting. The clinic, founded by Peter Amato and directed by Barbara Cohen, has a strong wellness orientation. Amato is a member of the new foundation supporting Andrew Weil's program in integrative medicine. The two are involved in discussions with area health systems on possible partnerships. The location is Northeast Pennsylvania, in a stand alone home-like, rural atmosphere, with relatively low overhead. Cohen and Amato have made available to THE INTEGRATOR the clinic's fee schedule for their diverse CAM services. No MD/DO services are presently offered. 717-585-4040

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acupuncture/Herbology</td>
<td>$70 initial; $50 return</td>
</tr>
<tr>
<td>Naturopathic Physician</td>
<td>$125 initial (90 min); $60 return</td>
</tr>
<tr>
<td>Homeopathy</td>
<td>$125 initial (90 min); $60 return</td>
</tr>
<tr>
<td>Chiropractic</td>
<td>$30/visit</td>
</tr>
<tr>
<td>Iridology</td>
<td>$50 for 45 minutes</td>
</tr>
<tr>
<td>Holistic Psychotherapy</td>
<td>$65 (60 min)</td>
</tr>
<tr>
<td>Nutrition Analysis and Consult</td>
<td>$50 (60 min)</td>
</tr>
<tr>
<td>Multi-Week Classes</td>
<td>Average $12 for series; $15 single</td>
</tr>
<tr>
<td>Stress Management</td>
<td>$75 (60 min)</td>
</tr>
<tr>
<td>Spiritual Counseling</td>
<td>$75 (60 min)</td>
</tr>
<tr>
<td>Aromatherapy</td>
<td>$50 (60 min)</td>
</tr>
<tr>
<td>Massage, Reiki, Touch, Reflexology</td>
<td>$50 (60 min)</td>
</tr>
</tbody>
</table>

Maryland Calvert Memorial Hospital a small, community based hospital in Prince Frederick, MD, has engaged an integrative medicine process. An integrative center is expected to open in early 1999. The 100-150 bed hospital also includes a new wellness wing, under construction. Jan Nicholson, EdD, director of integrative medicine for Calvert, told THE INTEGRATOR that the services will primary be those which “go along with psychotherapy” such as massage, acupuncture and biofeedback. The hospital has a rehabilitation contract with a national firm. The CAM services are expected to be primarily in outpatient. The center is developing a medical advisory board. 410-414-4507

North Carolina The note on Alternative Healthcare Options in the December INTEGRATOR inadvertently placed the firm in Georgia. The CAM network, founded by Richard Dunn, was
written up in the January 15 Charlotte Observer. Dunn noted that his first product will be a discount card, offered at $49.95, which he plans to sell to employers. The article quoted a “skeptical” Charlotte employee benefits consultant Eric Coates as saying: “I’m not seeing any clear evidence of interest in it from our clientele.” The “skeptical” Coates suggested, before recommending purchase, he’d want his clients to be fully apprised of “what the cost implications are initially, and what they were down the road.” However, the news account noted that Blue Cross and Blue Shield of North Carolina, the state’s largest insurer, “covers chiropractic care, biofeedback, hypnosis and massage therapy under certain conditions.” The article added that the BCBS firm is presently exploring additional benefits.

Georgia Alignis, the Atlanta-based CAM services organization, has announced that Hassan Rifaat, MD, the developer/manager of the Oxford Health Plan alternative medicine program, is joining the firm as COO. Rifaat, who began at Oxford in mid-1995, is a non-practicing MD with a background as an entrepreneur. Alignis’ vice president for long range planning, Dan Hollis, told THE INTEGRATOR that Rifaat is becoming “a senior member of the management team.” Rifaat is the firm’s first employed medical doctor. Alignis is also in the process of creating a national provider advisory board. 800-863-2932

Wisconsin/Georgia American WholeHealth Network (AWHN) and Comprehensive Health Group (CHG) agreed in December to share the resources of their two CAM networks. A release from the two firms stated that, together, they will have 12,000 chiropractors nationwide. AWHN CEO Jay Mason told THE INTEGRATOR that the firms have “struck a deal on several different levels.” AWHN’s chiropractors will become part of CHG’s chiropractic network for CHG’s discount cards and affinity products. Second, following re-credentialing, some of CHG’s providers will have access to AWHN’s managed chiropractic business. Mason expects roughly half of CHG’s 10,000 to come aboard. Third, the two firms are jointly marketing each other’s networks. The announcement focused more in chiropractic services than the other CAM providers in the CHG (see November 1998) and AWHN (December 1998) networks. For CHG: 800-669-8682; for AWHN: 800-274-7526

Minnesota/WA/NY/DC Michael Zdychnec, Director of Marketing for American Chiropractic Network and its CAM subsidiary, American Complementary Care Network (ACCN), recently told THE INTEGRATOR that the national firms have signed four significant new CAM services agreements in separate jurisdictions. In Washington state, ACCN will service the “Choice” and “Choice Plus” contracts for United Healthcare. ACN is also working with Kaiser Mid-Atlantic and its CAM services director, Lydia Segal, MD, on a new chiropractic benefit which will serve that staff model HMO. In ACN’s homestate of Minnesota, the firm recently “purchased the staff clinics” which provide chiropractic care to HMO HealthPartners, a move which brings 700,000 lives toward ACN’s providers. Finally, in early fall, ACN inked a deal for chiropractic services with Aetna New York. These diverse contracts will investigated in the next INTEGRATOR. 800-873-4575

Kansas Family Chiropractic America, founded in 1996 to manage chiropractic care, has formed new CAM sibling firms, Family Health America and Family Wellness America. According to president Beth Snyder, the group of firms together include: 24,000 at risk managed chiropractic lives, all in Kansas; 150,000 chiropractic PPO lives with which they directly contract; “several million” PPO lives through relationships with roughly a dozen other PPOs in and outside the state; and “several million” direct access, affinity product lives. The new CAM dimensions grew out of Snyder’s personal interest as well as because “in the last year or so our clients have asked us if we have other CAM providers. The firm has assembled a 1300 CAM providers -- mainly acupuncturists and massage practitioners -- to go with their 3,000 chiropractors. Like many businesses with this range of business, site visits are only a required part of credentialing when the firm is assuming risk. Snyder reveals that the first contracts with the broader CAM network, Family health America, is with two “discount card clients.” These are Care Entre, issued
by the Capella Group, and Body Guard Card, issued by Edward Price Co. The firm's other principal is Laura Moore. 800-819-9571

Louisiana  American LifeCare, the New Orleans-based PPO, has agreements on its first “beta sites” for its new CAM services product. Ansley Zehnder, who heads up the CAM product development, told THE INTEGRATOR that Smoothie King, The Neill Corporation (an Aveda products distributor), and WYES, a public TV station are testing the program “to work out its kinks. Zehnder says that the American LifeCare has stimulated “a lot of interest” since making their CAM interest known publicly. She notes that one purchaser which has shown special interest is union groups. 504-561-0600

Colorado  THE INTEGRATOR has learned that East-West Health Centers may soon expand to new Denver locations. The present clinic, founded in March 1997 and run by H. Phil Herre, a former hospital administrator, is in a 7500 foot facility which includes 3 MD, 1 NP, 2 DC, 2 LAc, 1 ND-homeopath, 5 LMP, 2 Rolfers and 3 psychotherapists. Herre stated that the business model is to first have experience with “one or two more” clinics in order to “make sure (the firm’s model) is replicable.” The business may then decided to promote a more expansive clinic network enterprise. 303-694-5757

Colorado  The Leland Kaiser Institute’s Program in Integrative Medicine successfully kicked off its first week-long gathering of it 1999 Fellows program. Over 30 individuals signed up for the $20,000 plus program. An end-product of the distinctive program is creation of a business plan for the institution with which each individual is involved. Among the core faculty are: Leanne Kaiser Carlson, who heads up the CAM effort for the Kaiser family; Phyllis Biedess, formerly CEO with American Centers for Health and Medicine (ACHM) and Nancy Boyer, formerly with Consensus Health. (For information on these two professionals, see November 1997 and April 1997 issues, respectively.) Additional faculty for the first session were INTEGRATOR advisor Chris Foley, MD, Howard Silverman, MD (current medical director, ACHM) and Steven Markus, MD. Each of these physicians represent distinct business and clinical integration experiences. Carol Freshley, also formerly with ACHM, took the lead in developing the program. Those interested can visit the Kaiser website. www.kaiser.net 303-659-8814

Colorado  Judi Farmer, CEO of Boulder, Colorado-based VitalityAccess has reported to THE INTEGRATOR that her firm has inked affinity deals with a number of new corporations and public agencies in its region. The 650 employee Douglas County workforce, which Farmer notes are the employees of the fastest growing county in the country, recently signed. The public agency has purchased the firm’s affinity program (see June 1998 INTEGRATOR for details) for all employees. Other new clients are National Museum of Health and Fisher Imaging Corporation. Farmer announced that Vitality has also affiliated with San Francisco-based WellCall, the CAM-oriented call center and health promotion firm. 888-578-9896

Arizona  Arizona for Health and Medicine, the two clinic venture which was originally to be part of a national CAM venture, is about to be put out of operation all together. The clinics were, until last year, the anchor sites of what was to be a national initiative developed by Catholic Healthcare West (CHW) which would support integrative clinic development throughout the CHW system. In April of last year, word hit the street that CHW had pulling its backing. However, the two clinics were to continue indefinitely in operation, under the medical direction of Howard Silverman, MD. But in January of this year, the system made known its intention to pull the plug on the two clinics. THE INTEGRATOR plans a detailed post-mortem in the February issue.

California  Beach Cities Health District, a publicly supported district in Redondo Beach, has approved a business plan which includes development of an integrative medicine clinic. Associate director Karen Ledebur who is heading up the exploration process told THE INTEGRATOR that the clinic will be a for-profit subsidiary of the agency, which continues to receive
limited tax support. The facility will be housed in now vacant space in a former medical center owned by the district. The space was recently used by Tenet Healthcare, which is vacating. Beach Cities also runs a fitness center. The integrative model is under development. The district is presently in the market for a director and welcomes inquiries. 310-374-3426

Oregon   PacifiCare of Oregon announced on January 20 an expanded, three year agreement with Portland-based Complementary Healthcare Plans (CHP) to expand its use of CHP’s network from just chiropractors to include acupuncturists and naturopathic physicians. Deborah Origer, president and CEO of the HMO noted CHP’s provider stability in explaining the move. She stated that CHP has 98% provider retention in its network, since 1989. Another factor noted in a joint release on the benefit is the open access model use by CHP, which is based on an elaborate credentialing process through which CHP gains the confidence to not require pre-treatment authorization. PacifiCare has 155,000 Oregon members. The CHP network will be used for a rider offering, with an expected $10-$15 co-pay. For PacifiCare: 503-603-7155; for CHP: 503-203-8333.

Washington   On January 5, the King County Council approved naturopathic physician Jane Guiltinan, ND as a member of the Harborview Hospital Board of Trustees on a 9-4 vote. The entire Republican caucus was joined by two Democrats, including sponsor Maggi Fimia, to garner the winning margin. The appointment was opposed by some Harborview physicians (see December issuer) as well as University of Washington physicians who viewed Guiltinan’s employment at a “competing” institution, Bastyr University as a conflict of interest. The state’s attorney general gave an opinion that no formal conflict existed. One councilmember who supported the position suggested that perhaps they would be better off looking at this as an opportunity for two highly respected institutions, in their own fields, to partner. 206-296-1613

End

INDUSTRY/HEALTH News File #2, January 1999

__________________

INDUSTRY/HEALTH SUBSCRIBER

NEWS FILE #2, FEBRUARY 1999

1) Business Developments
2) Government Affairs Briefs
3) Conferences

A Service for the INDUSTRY/HEALTH Subscriber

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1998

__________________

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

__________________

NOTE TO I/H SUBSCRIBERS ON THIS ISSUE::

As always, your feedback is welcome.  -- John Weeks, Publisher-Editor

__________________
ASHP INITIATES BUYHEALTH.COM ONLINE PROGRAM

The American Specialty Health and Wellness (ASHW) affiliate of American Specialty Health Plans (ASHP) introduced an online catalog of 250 products in early February. Products include books, tapes, vitamins, herbs and etc. The online presentation allows shoppers to listen to or view sections of tapes and read sections of books. The products are priced at PPO-type rates of 15%-35% off retail. A release on the new offering focuses on ASHP’s efforts to guarantee quality from the firms whose products are offered. ASHP has chosen to work with a limited group of manufacturers, including Mariposa Botanicals, Eclectic Institute, Sun-Ten Laboratories, Carlson and ASWH’s private label, Botanical Sciences. www.buyhealth.com, 888-buy-healthy.

AMERINET & TYLER ENCAPSULATIONS IN PRODUCT DEAL

St. Louis-MO based AmeriNet, which calls itself “the nation’s largest membership-based group purchasing organization” (GPO) announced on January 20 an agreement to work with Portland, Ore.-based Tyler Encapsulations to provide the GPO’s members with nutraceuticals. Sue Ellen Turner, a contract manager in AmeriNet’s pharmacy division states that “the new contract with Tyler offers AmeriNet members the opportunity to access premium line of ethical dietary supplements with significant cost savings from the newly emerging ‘nutraceutical’ industry.” Comments from Tyler’s COO Michael D. Levin note his firm’s excitement in “providing our scientifically-based nutritional products to their members via a network of drug wholesalers.” Joel Glucroft of J. Glucroft and Associates is heading the initiative for Tyler. AmeriNet represents 8200 members facilities in 50 states, operates through three shareholder health organizations, Hospital Shared Services, Intermountain Health Care and Vector. Membership represents 353,500 health care beds. 314-542-1930 for AmeriNet (www.amerinet-gpo.com).

BEDELL-LOGAN FIRMS BECOME SOLUTIONS IN INTEGRATIVE MEDICINE

The two firms organized by Linda Bedell-Logan, Bedell-Logan Billing Systems and Consulting Services fro Medical Alternatives are finalizing their purchase by a new Maine C Corp., Solutions in Integrative Medicine (SIM). The director of the new firm is Christopher Tuttle, a former aide to Harvard’s David Eisenberg. Bedell-Logan is President/CEO. The business will focus in the following areas; integrative medicine service, collections/patient advocacy, integrative medicine consulting and educational programs. SIM has inked a deal with Cambridge Health Resources for first program, scheduled for early June in San Francisco. The announcement supersedes an earlier business plan in which Darrell Stewart, formerly president of Alternare of Washington, was to have been involved. (See October 1998 issue.). 207-294-3280

GOVERNMENT AFFAIRS BRIEFS

1) House Committee on Government Reform chair Dan Burton is initiating a series of hearings “involving patient access to complementary and alternative therapies.” The first hearing will feature Jane Seymour, actress, on February 24. The formal title of the exploration is: “Opening the Mainstream to Complementary and Alternative Medicine: How Much Integration is Really Taking Place? An Inquiry into Access to Complementary and Alternative Medicine in Government Funded Programs.” Beth Clay is the staffer heading up the CAM work of the committee. Contact is Will Dwyer: 202-225-5074

2) Institute for Alternative Futures, led by futurist Clement Bezold, PhD, an INTEGRATOR advisor, held one of IAF’s regular Foresight Seminars for Congressional staffers in the Rayburn House Office Building on February 9. The meeting was entitled “Complementary and Alternative Approaches: Implications for Health Policy.” Roughly 70 staffers and agency CAM leaders attended the briefing which featured a panel of Bezold, Brian Berman, MD, CAM leader at the
University of Maryland whose group is the most prolific CAM research team; Lou Sportelli, DC, president of National Chiropractic Mutual Insurance Company (NCMIC), and John Weeks, INTEGRATOR publisher. NCMIC joined IAF as sponsor of the meeting.

3 CONFERENCES

STANFORD-HARVARD CONFERENCE FIRMS UP

The Stanford-Harvard program for October 15-17 at Stanford, entitled "Complementary and Alternative Medicine: Practical Medicine and Evaluations," has firm ed up. Billed as a "first annual conference," the headliners are Harvard’s David Eisenberg, MD, and Stanford’s CAM duo of INTEGRATOR advisor Kenneth R. Pelletier, PhD and William Haskell, MD. Interesting features include a keynote by author-academic Regina Hertzlinger, recently fired JAMA editor George Lundberg, MD, and assistant surgeon general Marilyn Gaston, MD; presentations from various corporate models (American Airlines, Ford, ARCO and IBM); and spokespersons for some major health plans. INTEGRATOR advisors Andrew Weil, MD, Lee Launder (Price Waterhouse Coopers), Laura Patton, MD (Group Health Cooperative of Puget Sounds) and Linda Bedell Logan (Solutions in Integrative Medicine) are also among those expected to be presenting.

SOUTH BRONX PIONEER IN GROUP-DELIVERED SERVICES AT HEALTH CARE FORUM

Michael Smith, MD, known as a pioneer in acupuncture treatment of addiction and psychiatric disorders, from his base at Lincoln Hospital in the South Bronx, was among the presenters at the Healthcare Forum meeting. The following are some of his comments on patient empowerment and the value of group-delivered vs one-on-one patient-provider services:

1) The first step to empowering patients is to have more of them in the room than practitioners. In private -- one on one -- it’s never equal. The physician or other provider always has the power.
2) In a group setting, trust comes more easily. People get to see how you treat others before you treat them. If you treat them well, they’ll share more.
3) Don’t use the term “wellness.” For most people, it implies something they can’t get. The essence of low self-esteem is, the better you know me, the less you’ll like me. Instead of “wellness,” we need to talk about comforting people. In chronic illness, the first issue is protection and safety. The group is the quickest way to create this.
4) The group approach get you over the issue of transference between patient and provider.
5) Don’t start with so much assessment on day one. Day one -- the day you’re writing everything down -- is the day when patients are least likely to tell you the truth.

Smith noted that one of the benefits of working with the very poor in the South Bronx is that “nobody care much what we did” and so he had an ability to explore strategies in diverse ways.

End
INDUSTRY/HEALTH News File #3, February 1999
1 BUSINESS DEVELOPMENTS (Blues/Alternare, Marino Center)
2 CAM Professions (APMA “Access” bill)
3 Conferences (HC Forum attendance, new IM conference)
4 Miscellaneous (Weil-Relman debate, USP Dietary Sup division, CAM features)

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1998

__________________

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

__________________

NOTE TO I/H SUBSCRIBERS ON THIS ISSUE

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

__________________

1 BUSINESS DEVELOPMENTS

CHANGE IN BLUES CONSORTIUM WITH ALTERNARE

Industry sources have told THE INTEGRATOR that the reported deal between Anthem Blue Cross-Blue Shield and a handful of other Blues plans and Alternare Health Services is unraveling. Cliff Waldman, MD, reached by THE INTEGRATOR, noted that the Anthem deal with Alternare is still under discussion but is unsigned. Candace Sellers Cappelli from Alternare confirmed: “We are still moving forward with Anthem -- they were out here for a site visit last month.” Waldman clarified that what has come apart is an effort to have between 7 and 10 Blues plans participate as a group “in a joint process to review vendors” and that “now it’s up to the individual plans.” Anthem, with its four state reach (OH, IN, KY, CT) is continuing to operate on CAM as a unit.

MARINO CENTER RE-STRUCTURED AS NOT-FOR-PROFIT

The Marino Center in the greater Boston area, a 12,000 square foot integrative medicine clinic founded in 1994, has entered a new phase in its development, according to administrator Carmen Pascarella. Pascarella told THE INTEGRATOR that the Center added new primary care providers to its staff, to make the model fully integrative. Roughly 30%-40% of the Center’s revenue base from 25,000 annual patient visits is now conventional primary care. The Center’s long process toward profitability is expected to be achieved within 6 months, according to Pascarella. The clinic has 45 employees, including 2 chiropractors, 3 licensed acupuncturists, 2 massage therapists, and an assortment of MDs and NPs with specific CAM skills. The center has an ongoing relationship with the Massachusetts College of Pharmacy which has both educational and research components. Marino’s medical director, Donald Levy, MD, is a 15 year faculty member at Harvard Medical School. Pascarella notes that the clinic is beginning to develop a provider network which it is expecting to take national. The Center is presently developing a national board of directors. 617-661-6225

__________________

2 CAM PROFESSIONS & ORGANIZATIONS

APMA TO RE-INTRODUCE ACCESS TO MEDICAL TREATMENT ACT
Candace Campbell, executive director of the American Preventive Medicine Association (APMA) is in the final stages of reviewing and gaining external endorsements for the 1999 version of the Access to Medical Treatment Act. The federal legislation would protect from action by licensing authorities providers who explore therapies which have evidence of safety by which are not approved by the FDA, as long as this status is disclosed to the patients. APMA, led by Campbell, is the most significant practitioner-oriented CAM lobbying force in Washington, DC. 703-759-0662

WHOOPS! ON AANP CONFERENCE LOCATION

The annual conference of the American Association of Naturopathic Physicians will be in Coeur d Alene, Idaho, at the world class Coeur d Alene Resort. It is not Sandpoint, as previously reported. The conference is Nov. 3-7, 1999. 206-298-0126.

3 CONFERENCES

HEALTHCARE FORUM: CONTENT HIGH - ATTENDANCE LOW

The Health Forum Best Practices conference in Honolulu (February 10-13) was very well received but by a small group of just 120 participants. Forum sources attribute some of the turn-out problems to a marketing plan which was hampered by the internal restructuring required following the merger of the Healthcare Forum into the American Hospital Association in the middle of 1998.

(ANOTHER) INTERNATIONAL CONFERENCE ON INTEGRATIVE HEALTH MEDICINE

Green Herron Conferences, Inc., in Brooklyn, New York has issued a call for papers for a two day International Conference on Integrative Health Medicine which is planned for the New York Marriott Marquis. September 18-19, 1999. Phone: 718.768.4436. www.greenherron.com

4 MEDIA & MISCELLANEOUS

US PHARMACOPOEIA IN NEW DIETARY SUPPLEMENT DIVISION

A restructure of the quasi-governmental US Pharmacopoeia has been completed under which a new Division of Dietary Supplements was established. Heading up the division is V. Srinivasan, PhD, who has followed these issues for the USP for many years, most recently a senior scientist in the USP’s Division of Standards Development. The division is charged with exploring the field of dietary supplements as well as related developments in the professions which use such agents. 301-816-8334.

WEIL-RELMAN DEBATE PLANNED

Andrew Weil, MD, and Arnold Relman, MD, editor emeritus of the New England Journal of Medicine, will debate CAM on April 9, 1999. The decision to debate grew out of a lengthy article on Weil which Relman wrote for the Atlantic Monthly in which many of Weil’s positions were challenged as falling far outside the mainstream of acceptable medical thinking. The exact place and time was not yet known when this information was made available to THE INTEGRATOR.

TWO CAM FEATURES

A) NUTRITION BUSINESS JOURNAL
The January 1999 issue of the Nutrition Business Journal (Strategic Information for Decision Makers in the Nutrition Industry), widely regarded as the best source of data on the burgeoning nutraceutical industry has a cover story on alternative medicine integration. This is the second annual issue to focus on alternative medicine. Those interviewed for the piece include Bob Mayo, president of Cancer Treatment Centers of America, Alan Trachtenberg, MD, former acting director of the NIH OAM and INTEGRATOR publisher-editor John Weeks. 619-295-7685

B) NY TIMES: AMERICANS GAMBLE ON HERBS AS MEDICINE

February 9, 1999. Jane Brody filed this piece. General overview of an exploding industry ($839 million in 1991 to $4-billion in 1998), and problems of regulation. Some interesting points: Peggy Brevoort with East Earth Herb and an authority on the industry notes that demand is exceeding supply with St. John’s Wort and Kava, “introducing the danger of adulteration by unscrupulous dealers;” “a few medical and pharmacology schools” (none named) “have recently introduced courses in phytomedicine;” and the two leading publications, German Commission E (American Botanical Council/.Integrative Medicine Communications) and PDR for Herbal Medicines (Medical Economics) are significantly featured.

CHALLENGES IN DEVELOPING CAM SKILLS IN THE INSURED CONTEXT

An interview for the upcoming February 1999 INTEGRATOR feature on the shut-down of the Arizona Centers for Health and Medicine yielded the following astute comments from a long-time practitioner of natural medicine: “In the traditional cash-based CAM practice, with a high-degree of self-selection among the patients, the practitioner has much more room to explore. The patient and practitioner enter into this together and try and find the best way to go forward clinically. But inside a health system and covered benefit there can be a dual filter against this exploration. The practitioner is much more concerned with medical necessity and therefore whether there is a JAMA article to back (a given strategy) and so is more conservative. And the patient is likely to be more conservative also. The expectation of the population has a huge influence on the practitioner’s ability to perfect their art. If a population, or payer, won’t risk the cash cost, the practitioner’s learning curve is less steep.”

Comments, responses?

End
INDUSTRY/HEALTH News File #4, February 1999

____________________________

INDUSTRY/HEALTH SUBSCRIBER

NEWS FILE #5, MARCH 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Integrative Clinic Developments (INTEGRATOR Report #2, ACHM)
2 Three Public-Private CAM Coalitions (New England, Minnesota, WA)
3 CAM Professions/Organizations (Comparative Size/Budgets, plus)

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1998
AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

NOTE TO I/H SUBSCRIBERS ON THIS ISSUE

As always, your feedback, additions or corrections -- of perspective or fact -- are welcome.
-- John Weeks, Publisher-Editor

1 INTEGRATIVE CLINIC DEVELOPMENTS

SPECIAL TO I/H SUBSCRIBERS: INTEGRATOR BENCHMARKING REPORT #2

INDUSTRY/HEALTH Subscribers may request prior-to-publication copies of THE INTEGRATOR Integrative Clinic Benchmarking Survey, Report #2. A special combined February-March issue includes a four page chart of data on 8 new clinics: 5 inside systems -- California Pacific Medical Center, Hennepin Medical Center (MN), University of Arizona's University Physicians, UCSF/Stanford and Harvard Vanguard Medical Associations -- and 3 private ventures: Institute of Complementary Medicine (WA), East-West (CO) and Inner Harmony (PA). The report includes a three page analysis of trends and observation from the entire set of 14 clinics presented in the two reports. Contact Cheryl Robinson at isnh@quidnunc.net, or 206-933-7983, if you want an advance copy. The special two-month 16 page issue of the INTEGRATOR is expected to be mailed mid-March.

KEY FACTORS IN AzCHM/ACHM FAILURE

The next issue of THE INTEGRATOR also explores the failure of the Arizona Centers for Health and Medicine/American Centers for Health and Medicine, backed by Catholic Healthcare West. Here are the key findings, based on interviews with the principals.

1 Managed Care/PCP Strategy
** The initial position of the clinic was as part of a broader MERCY INTEGRATED HEALTH (MIH) system strategy -- a part of the CATHOLIC HEALTHCARE WEST consortium, in primary care clinics and the clinic had no separate identity until three years out (1997); disengagement was slow and complex
** Should never have taken conventional PCP contracts; “HMO-first strategy should have been abandoned”
** Significant problems in creating the data which would build the case for higher managed care compensation and support clinic management
** “If CAM services are available through a healthplan, wealthy people in the market (who could pay cash for CAM) will expect CAM as covered benefits”
** Staff was entrenched in a “don’t pay now, we’ll bill” insurance culture
** Working with CAM providers on appropriate record keeping is very difficult
** Managed care should only be contracted on an integrative clinic’s own terms

2 Clinic Size, Design and Location
** Should have started smaller -- 4,000-5,000 sq ft vs 10,000 sq ft -- instead of “building a big box”
** Some design features were too pricey
** The location was too expensive, and should have been in Scottsdale, not Phoenix
** The building -- a former Savings & Loan -- was expensive to convert and had “lousy parkinglot”
Physician Payment & Incentives
** Should have kept incentives rather than offer a MDs/DOs straight salary
** Performance standards for integrative medicine productivity had to be developed
** Benefits were rich, but "to get an MD/DO with these CAM skill sets, you can’t squeeze the compensation package too much"

Instability
** AzCHM/ACHM had 3 different leaders with 3 distinct styles in 6 years; energy was consumed in repeatedly starting anew
** The clinic/venture also had 3 phases of ownership
** The ACHM "venture" side was tied to the clinic and not given enough time to generate its own revenue streams and products
** The special, covered integrative benefits negotiated were not allowed the time to mature as benefits

Marketing
** Should have moved more rapidly toward the self-pay market and enhanced advertising
** Never enough money spent to position the clinic in the local market; “most well-kept secret in Phoenix”

System Relationship
** MIH’s attention was fixed on the losses associated with the purchases of PCP clinics, rather than on the unique CAM venture; “AzCHM should have been moved out of MIH more rapidly”
** “We had isolated support from key leaders but it was in a context of opposition”
** “System leaders were wonderfully supportive, they just had their hands full with other pressing things.”
** Some leaders were "embarrassed" by AzCHM/ACHM; “they okayed it but squeezed it"

There was significant agreement on most of this, among the succession of leaders at the clinics (INTEGRATOR advisor Sam Benjamin, MD, Phyllis Biedess and Howard Silverman, MD). There were areas where perspectives differed, such as the failure to successfully promote the natural pharmacy as a revenue source, and the role of leadership.

THREE PUBLIC-PRIVATE COALITIONS

One intriguing development in some communities is public-private CAM exploration. Below are three such endeavors: one in, New England, in exploration; a second, in Minnesota, in start-u; and a third, in Washington, borne out of three separate public-private ventures under way in the past 3-4 years.

NEW ENGLAND HOSPITAL CONSORTIUM

The NORTHERN NEW ENGLAND COMPLEMENTARY CARE CONSORTIUM is continuing to explore collaborative CAM initiatives. The premise of the group, according to ROGER WELLINGTON, the group’s chief organizer, “is that all large health care deliverers will need a CAM strategy in the next 2-3 years.” The Consortium believes each will “face the same four tasks:” 1) reviewing the research to determine which services to offer; 2) writing reasonable clinical guidelines that can be implemented; 3) developing credentialing procedures, and 4) setting up reimbursement mechanisms. “We contend,” states Wellington, “that it makes more sense to do this in a coordinated fashion.” The consortium seeks a combined funding source of member “dues” and grant funding. The Consortium is working in conjunction with the NEW HAMPSHIRE HOSPITAL ASSOCIATION and plans to have a detailed proposal written by the end of February. For Wellington: 603-673-6576
WASHINGTON STATE’S KING COUNTRY INTEGRATIVE MEDICINE 2010

In Washington State, KING COUNTY COUNCIL members MAGGI FIMIA (D) and KENT PULLEN (R) have commenced a process to create a blue-print for King County Integrative Medicine 2010. Pullen championed the pioneering KING COUNTY NATURAL MEDICINE CLINIC (9/96, 1/98) and Fimia’s naturopathic physician appointee was recently elected to the HARBORVIEW MEDICAL CENTER Board of Trustees, believe the region will be served by a coordinated process which reviews recent advances in integration and sets a course for the near future. Fimia explains that the initiative is “an opportunity for all of those working on integration to share what they have done with each other and the public, then map out what we can accomplish -- a coordinated plan on which we can agree.” Fimia says the focus will be on the local, but relevant state and federal policy issues are “necessarily” also being addressed. The initial planning team includes individuals who were involved with the region's three leading, multi-disciplinary, mainstream/CAM integration initiatives: the Natural Medicine Clinic, the Clinician Workgroup on the Integration of CAM, and Building Bridges. The former was led by the county, the second by the state’s OFFICE OF THE INSURANCE COMMISSIONER and the later by REGION X US HEALTH & HUMAN SERVICES/RICHARD LYONS, MD and BASTYR UNIVERSITY/PAMELA SNIDER, ND. The goal is a consensus document which will be completed by late 1999. 206-296-1001

MINNESOTA COALITION: CONSUMER SAFETY ON NUTRACEUTICALS

An unusual coalition involving major health systems, the University of Minnesota College of Pharmacy, consumer associations (Minnesota Stroke Association, Parkinson Association of Minnesota) and the American Nutraceutical Association (ANA) has announced a new campaign to educate consumers on all aspects of quality in the use of vitamins and herbs. INTEGRATOR advisor Chris Foley, MD, editor of the ANA Journal, is a leader in the effort, as is Jodi Chafin, an herbal resource pharmacist at HMO HealthPartners. The coalition, called Consumers First, is backed by an unrestricted educational grant from Upsher-Smith Laboratories. 2/16/99 AOL News

3 CAM PROFESSIONS & ASSOCIATIONS

AANP WEBSITE REPORT

The award-winning website of the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS is presently generating over 4500 hits per day, according to webmaster RICK KIRSCHNER, ND. The association’s message board has over 19,000 hits in its first year of operation. During the week of the report, the visitors included surfers from the UK, Australia, Singapore, South Africa, Israel, Sweden, Japan, Italy, Brazil, Malaysia, Mexico, New Zealand and France. Kirschner notes that the AANP’s database of articles is the most popular feature, along with info on finding an ND. Contact: Rick Kirschner, ND http://naturopathic.org

MASSAGE ASSOCIATION JOB NETWORK ONLINE

The American Massage Therapy Association launched on February 24 a Job Network where its members can post resumes and be linked to potential employers. The service is available at www.amtamassage.org

ACAM SETTLES FALSE ADVERTISING ON CHELATION

The AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE (ACAM), an organizations of physicians, many of which practice chelation therapy, has agreed to settle a suit of false advertising brought by the FEDERAL TRADE COMMISSION (FTC). The FTC argued that
ACAM had made unsupported claims that the therapy’s effectiveness in treating atherosclerosis was supported by scientific studies.

CAM PROFESSIONS: REPORT ON FINANCIAL CLOUT AND BUDGETS

One of the obstacles to the rapid advancement of CAM integration is the combination of significant demands on CAM professions combined with limited resources. Health plans and health systems may view certain activities as best provided by professional associations. These may include developing practice guidelines, standards of practice, creating a research infrastructure, or educating providers to be skilled participants in a managed or integrated environments.

In addition, changes in federal statute require significant lobbying. Securing outside funding for research from government and foundations tends also to be built on long-term relationship building.

Yet these may take a back seat to more immediate issues -- the push for expanding licensing for instance (current activity is listed in the 1/99 issue) remains a priority for acupuncturists, naturopathic physicians and massage practitioners. Indeed, licensing is a core credentialing criterion for many managed care organizations and health systems. After these sometimes protracted state efforts, few dollars are left for other initiatives.

Table 4 was created to orient INTEGRATOR readers to the current financial status of the CAM professional organizations. The total national budgets of the combined acupuncture and naturopathic medical professions is less than $1.5 million. Add massage, and annual expenditures reach about $10-million, or 4% of the annual budget of the American Medical Association. If chiropractic, the “limbo” profession, is included, the combined CAM budget is still a fraction of the AMA’s nearly quarter-billion in annual revenues. Note that the AMA’s $228 million does not include the revenues of the AMA’s recognized specialty societies.

In short, the dis-equilibrium in economic clout between professional advocates of natural healthcare and those of conventional treatments -- absent a significant change within the AMA -- can be expected to continue for the foreseeable future. Put differently, the CAM professions, as they are presently funded, cannot be expected to provide significant public policy advocacy for CAM.

Table 4: Comparative Budgets of CAM Professional Organizations and the AMA
CATEGORIES:  
Profession  
Professional Members  
Due Per Year  
1998 Budget  
Budget designated for managed care or insurance work

<table>
<thead>
<tr>
<th>Association</th>
<th>Professionals</th>
<th>Membership Fee</th>
<th>Total Budget</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Association of Medical Acupuncture</td>
<td>1550</td>
<td>$110 to $285</td>
<td>$650,000</td>
<td>No separate line</td>
</tr>
<tr>
<td>American Association of Naturopathic Physicians</td>
<td>650</td>
<td>$395</td>
<td>$760,000</td>
<td>$7500 plus share of executive director’s time</td>
</tr>
<tr>
<td>American Massage Therapy Association</td>
<td>22,000</td>
<td>$235(1)</td>
<td>$8,400,000</td>
<td>No separate line item</td>
</tr>
<tr>
<td>American Association of Oriental Medicine</td>
<td>687</td>
<td>$220</td>
<td>$198,000</td>
<td>Volunteer committee, staff support, part of director time</td>
</tr>
<tr>
<td>National Acupuncture Alliance</td>
<td>450-500</td>
<td>$170</td>
<td>$175,000</td>
<td>No dedicated funds; some of executive director’s time</td>
</tr>
<tr>
<td>American Chiropractic Association</td>
<td>19,000</td>
<td>$600</td>
<td>$7,500,000</td>
<td>$440,000</td>
</tr>
<tr>
<td>American Medical Association (2)</td>
<td>295,000</td>
<td>$420</td>
<td>$228,034,000</td>
<td>Not clear</td>
</tr>
</tbody>
</table>

The total national budgets of these combined CAM professions is about $10-million, or 4% of that of the American Medical Association. If chiropractic, the “limbo” profession, is included, the CAM budget swells but is still a fraction of the AMA’s nearly quarter-billion in annual revenues. The latter does not include the revenues of the AMA’s recognized specialty societies. The disequilibrium in economic clout between professional advocates of natural healthcare and those of conventional treatments can be expected to continue for the foreseeable future.
This INTEGRATOR mini-survey data underlines a case made in the Viewpoint of the upcoming INTEGRATOR: Short of a significant turnabout in AMA agenda (not likely given the firing of George Lundberg), we must view natural healthcare as a special kind of stewardship -- a Natural Healthcare Commons. This Commons must have a primary relationship to collective/government support if natural healthcare is ever to be on any where near a balanced economic footing with conventional treatment. More in the Feb-March viewpoint.

Your comments are welcome.

End
INDUSTRY/HEALTH News File #5, March 1999

INDUSTRY/HEALTH SUBSCRIBER
NEWS FILE #6, MARCH 1999
A Service for the INDUSTRY/HEALTH Subscriber

1. Business Developments (WellCall, Integrated Health Plan, CHP)
2. Conferences (Harvard, U Arizona/Columbia, etc.)
3. Publications and Media (Massage laws, Aspen, AHC)
4. FEEDBACK LOOP: American Centers

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1998

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

NOTE TO I/H SUBSCRIBERS ON THIS ISSUE
As always, your feedback is welcome. -- John Weeks, Publisher-Editor

BUSINESS DEVELOPMENTS
WELLCALL OFFERS PREVENTIVE HEALTH SPENDING ACCOUNT

WellCall, Inc., the San Francisco-based CAM services organization has initiated a new product which it calls a "Preventive Health Spending Account (PHSA)" The product "fills in" the missing needs in a SECTION 125, but can also be offer as a stand-alone by the employer. The Section 125 program allows employers to offer employees a chance to have a certain monthly deduction from their wages to create a pool of un-taxied funds money which can be used to take care of medically necessary health care expenses which are not in the benefit plan. Often these are used for eyecare, orthodontia, and etc., but are increasingly also used for chiropractic and acupuncture. The IRS, however, only allows these funds to be spent for medically necessary
services, and specifically forbids their use for smoking cessation or weight loss programs. Massage, for instance, is another gray area.

ARLENE SINGER with WellCall says the PHSA is handled, at year end, as an addition to actual compensation. The employer decides the amount of contribution ($100, $250, $500, etc.), the level of co-pay (0 to 50%, generally) and the range of covered services. Singer says employers like the flexibility. Three of WellCall’s clients demonstrate the flexibility:

1) AAA WEST CENTRAL NEW JERSEY (300-400 employees) offers a straight match (50%) of up to $100 per person on smoking cessation or weight management, for the employee or a family member.
2) PACIFICA HEALTH SYSTEMS (8000 its employees -- NOT offered to its HMO members) offers up to $250 per employee, with an employee match, on “anything on which they submit our referral plus a receipt,” according to Singer. WellCare’s referrals can be to a wide range of wellness and CAM programs.
3) FINOVA CAPITAL (2500 employees) $300 straight payment to employees and up to $600 total for a family, diverse services.

Singer says the “downside” for the employer, compared to the Section 125, is that the employer has to pay the benefit, and for its administration. But the “upside” is that “you can choose what’s in it and push employees to take better care of themselves. WellCall’s distinctive services include relationships with LANDMARK HEALTHCARE and VITALITY ACCESS. 415-621-1606.

COMPLEMENTARY HEALTHCARE PLANS

The Spring 1999 newsletter from Portland, OR, based Complementary Healthcare Plans (ChiroNet, AcuMedNet, NaturNet) shows the firm’s capitation membership growing from just 10,000 covered lives in 1994 to its present dominance in the Oregon market of 170,000 lives. The firm notes that its new combined (acupuncture, chiropractic, naturopathic), direct access, self-referred product which it began selling in 1998 is showing good start-up growth, with a 650% enrollment increase over initial year figures. 800-449-9479

INTEGRATED HEALTH PLAN, INC. OFFERING PROVIDER CONTRACTS

Some providers in WASHINGTON STATE began receiving applications to contract with St. Petersburg, Fl-based IHP, Inc, on an Alternative Care Provider Network the firm has in development. Marketing materials include claims that the firm services 1,100 payers, representing 8-million members nationwide and $2-billion in annual claims. The firm charges a $95 credentialing/application fee to join its managed care network, and requires providers to take rate of 75% of billed charges. 727-345-8614

CONFERENCE

The HARVARD UNIVERSITY SCHOOL OF MEDICINE CAM conference chaired by David Eisenberg was once again a success, drawing roughly 650 paid. According to a show of hands, 50% were physicians, and about 25% of the total number had some administrative or business function. The conference, for the first time, included a breakout session offering on the practical delivery of services: “Billing, Reimbursement and Network Strategies,” offered by INTEGRATOR advisor LINDA BEDELL LOGAN and publisher JOHN WEEKS. This business breakout -- one of eight or 10 concurrent offerings each offered 4 times -- was among the most attended, according to the organizers, with roughly 120-175 individuals in the business sessions. Among the sponsors of the conference were NATIONAL CHIROPRACTIC MUTUAL INSURANCE
COMPANY, INTEGRATIVE MEDICINE COMMUNICATIONS, INTEGRATIVE MEDICAL ARTS (IBIS) and AMERICAN SPECIALTY HEALTH PLANS.

MEMORIAL HERMANN HEALTHCARE SYSTEM is seeking sponsors for the June 17-18 program on CAM integration which it is offering in conjunction with The University of Texas - Houston Medical School. Headliners for the program are LEE KAISER, JAMES GORDON, MD, and INTEGRATOR advisor KENNETH R. PELLETIER, PHD, MD(hc). Sponsors runs from $50,000 “Diamond” to a $500 “Exhibitor” level. The material do not note how many individuals are targeted. The conference is entitled: Complementary and Alternative Medicine: Modern Science and Ancient Wisdom. The U of Texas is one of the NIH CAM centers. Contact Mary Helen Morosko, manager of special projects: 713-744-2062.

U ARIZONA/COLUMBIA are joining again to offer their 4th annual course on BOTANICAL MEDICINE IN MODERN CLINICAL PRACTICE, May 24-27, 1999, in New York. The sterling faculty includes INTEGRATOR advisor ANDREW WEIL, MD, ADRIANE FUGH-BERMAN, MD, VARRO TYLER, PHD, NORMAN FARNSWORTH, PHD, MARK BLUMENTHAL, ROB MCCALEB, and etc. $1200 for physicians. 212-781-5990

LIEBERT PUBLISHING GROUP is sponsoring its NATURAL PHARMACY WEST conference in Palm Springs, CA, on June 4-6. $299. 1-800-5-BIOCON.

__________________

PUBLICATIONS & MEDIA

A good overview of the STATUS OF MASSAGE LICENSING LAWS nationwide is in the March/April issue of MASSAGE MAGAZINE. A list of laws in all regulating states describes: 1) regulatory contact; 2) title/type of credential; 3) required education/written or practical exam; 4) whether National Certification Examination for Therapeutic Massage and Bodywork is used; and 5) renewal fees. Another article in the same publication reviews the federal government’s review of the classification of massage into the array of occupations in the United States. The core question -- also of interest to payers -- is whether massage is a personal service, a health care procedure or both. The decision on classification is reflected, downstream, in the types of information which will be entered in US databanks over the next 10 years. For the past 25 years, the federal government has classified massage as a personal services. Both articles are by massage politics reporter JACK THOMAS. 1-800-533-4263 for subscriptions.

ASPEN PUBLISHING is advertising a three ring binder resource entitled HOLISTIC HEALTH PROMOTION AND COMPLEMENTARY THERAPIES: A RESOURCE FOR INTEGRATED PRACTICE at $139 as a “risk-free for 30 days trial. The editorial advisory board includes INTEGRATOR advisor Eileen Stuart, MS, RN, C and Ann Gill Taylor, RN, EdD, FAAN, with the CAM center at the University of Virginia. Looks to be a pretty basic overview. 800-638-8437

ALTERNATIVE THERAPIES IN WOMEN’S HEALTH, a “Science-based Information for Clinicians,” is a monthly 8 page newsletter now in its 4th month, published by American Health Consultants. ADRIANE FUGH-BERMAN, MD, assistant clinical professor of the Department of Health Care Services, George Washington School of Medicine and Health Sciences, is the publication’s editor. Like the publisher’s ALTERNATIVE MEDICINE ALERT, this newsletter is accredited for CME for physicians. American Health Consultants is a division of MEDICAL ECONOMICS. Vol 1, #4, March 1999, was largely written by Dr. Fugh-Berman and included articles on soybean intake and bone density, chocolate addition, and various clinical abstracts and book reviews. $189/YR. 1-800-688-2421

__________________
FEEDBACK-LOOP: AMERICAN CENTERS FAILURE

The following is feedback from one I/H subscriber on the reasons for the failure of the ARIZONA CENTER/AMERICAN CENTERS (see I/H Newsfile #5).

I/H RESPONSE: Everything I read about CAM clinics and integration failures always seems to have an issue with managed care at its roots. I don't believe that quality CAM services can survive in a managed care environment. The incentives for managed care are totally backwards with its emphasis on productivity and short term treatment of symptoms. I don't know the details about the failure of the Arizona venture other than what you have reported, but the naiveté of clinic managers believing that they can survive a managed care compensation scheme is beyond reasoning. The data just do not exist to manage risk effectively in a CAM environment alone, much less in an integrated environment. I believe that CAM needs to track data for years before any attempt to manage risk is undertaken, and then only if the incentive is to provide long term health, not cure short term illness.

COMMENT: My sense that the only way CAM can work in a managed care environment is with a leap of faith that we can think about the "management of care" and the current payment structure outside of the current manifestation of each. I think the naiveté is associated with the naiveté that many of us -- including yours truly and, as I understood, the founders of the Arizona Center -- had in 1994 that "health reform" might indeed have something to do with the principles of the HMO movement (longer term thinking, early intervention, paying a little more now to save a lot later). What has unfolded -- squeezing the PCP, productivity pressures, continued productivity-based payment -- has created an environment even less open to truly managing care. ACHM was beginning to develop some interesting special relationships with payers, which will be described in a future I/H news-filing. Their strategy then -- and the strategy that I believe is necessary on all this, is partnership, partnership, partnership -- with purchasers optimally, bringing. -- JW

Your additional feedback is welcome ...

HINDSIGHT VIEW OF A FINANCIAL FORMULA ON INTEGRATIVE CLINICS

In the course of interviewing INTEGRATOR advisor Sam Benjamin, MD, for the February-March feature on Arizona Centers for Health and Medicine/American Centers for Health and Medicine, Benjamin, ticked off his formula for financial success in an integrative clinic. Benjamin was the clinic’s founder and medical director until spring of 1997.

1) Physician Services (MD/DO) are places where a clinic must break even. His rough calculation: Salary of $120,000, generates ($1500/day X 4.5 da/wk = $6750 X 40 wk/yr = $270,000). This covers related overhead.

2) Ancillary Services: PROFIT CENTERS
   A) Pay massage practitioner $25,000, generate $60,000; pay acupuncturist $30,000-$40,000, generate $60,000-$80,000.
   B) Herbs/Dispensary: Clinic-related sales, plus direct retailing = 25-40% of gross.

Note, this was not the strategy which AzCHM/ACHM pursued. It is offered merely as fodder for thought as clinics and related interests wrestle with the issue of profitability in integrative clinics.

End
INDUSTRY/HEALTH News File #6, March 1999
LANDMARK HEALTHCARE REPORTS SECOND HMO SURVEY

On March 10, Landmark Healthcare reported the second of its surveys of key executives of HMOs relative to CAM. The survey was conducted for Landmark by National Market Measures, Inc., between November 1998 and January 1999. 114 executives were surveyed. Top findings include:

*** Types of CAM offered, and % offering: DC/65%, acupuncture/31%, massage/11%, vitamin therapy/6%, relaxation therapy/5%, herbal therapy/4%, and etc.

*** The survey concluded that the "average proportion of membership provided with alternative care among HMOs offering it was up from 48% to 56% (a 17% increase) in the ensuing 2-3 year since the first HMO survey.

*** Perceive impact (by these executives) on total health costs: 21% "reduces", 30% "neutral" and 49% "Adds"

*** Most important reason for offering: 38% (members, groups wanted), 38% (mandates, 8% clinically effective, 7% differentiate from competitors

*** 34% believe demand for CAM will be strong, 40% "moderate" and 34% "mild."

Interestingly, 43% of the interviewed executives believe that chiropractic is not alternative. Lynette LaSalle at 916-569-3326 for more information.

HCFA, MEDICARE AND CAM: TWO PERSPECTIVES

A growing number of questions are arising relative to Medicare and CAM. The next two shorts review basic realities.

MEDICARE + CHOICE: SIGNIFICANT CAM OPTIONS, HCFA TELLS INTEGRATOR

Medicare+Choice managed care plans offer a significant opportunity for plans to integrate CAM services, numerous officials with the HEALTH CARE FINANCING ADMINISTRATION (HCFA) in Baltimore, Maryland have recently confirmed for THE INTEGRATOR. Explorations of this topic
all of whom wished to speak off the record -- led to the following consensus understanding as explained by one director-level HCFA official:

1) Plans are paid based on a county-adjusted per member per month (PMPM) rate. Let's assume that this is $600
2) All plans must offer "what we call 'original' Medicare" services (Medicare A & B). Plans give HCFA a line by line accounting of what these services will be and how much these will cost. Let's assume that this adds up to $550. This leaves a "surplus" of $50 PMPM.
3) Medicare + Choice law states that "the surplus has to go to beneficiaries in the form of additional benefits." Therefore the plan then has to describe, also line by line, what benefits they will offer the seniors with the additional $50. This is the "+ Choice" portion.
4) The plan can then choose to offer CAM services as a part of this "additional" service.
5) CAM services must be offered by a person licensed to operate in the state. When asked directly if this meant the services of a LICENSED ACUPUNCTURIST, NATUROPATHIC PHYSICIAN or MASSAGE THERAPIST, the answer was "as long as the provider is operating within a licensed scope of practice."

In short, a context exists for partnering with Medicare + Choice plans to include CAM services. GRANT BAGLEY, MD, states that such plans, if fact, could choose to cover herbal therapies in this "additional services" category, as long as the other criteria were met. However, as one CAM network executive states: "The problem is there is generally not a whole lot of money to play with. The margins are quite slim."

ORIGINAL MEDICARE: WHAT CAM IS IN THE "ORIGINAL" FEE FOR SERVICE PACKAGE?

GRANT BAGLEY, MD, a physician-attorney who is a division director for HCFA, clarified the current coverage status of the following CAM providers and services under HCFA policy:

*** "Not much" is covered.
*** Chiropractic is very specific and only covered for a very limited, specific situations (up to 12 visits for acute low back).
*** Other therapies need to fit into physician services or be provided by a conventional provider (MD, DO, NP, PT).
*** Biofeedback "is conceivable" but would depend on "for what, by whom and where done."
*** Acupuncture is being explored, "in the context of the NIH Consensus Conference" (November 1997). "A working team is looking at how acupuncture might fit." Bagley did not name a time when the group was expected to make recommendations but noted that if they chose to include acupuncture, it would take a Congressional act, and even then could only be provided by presently accepted provider categories. The include licensed acupuncturists would require an act of Congress. Said Bagley: "Our Board of Directors -- Congress -- has not told us we can do that yet."
*** Mind-body programs, such as the Dean Ornish, MD, programs for coronary artery disease, "would take an act of Congress."

The new HCFA rules spelling all this out appeared in the June 26, 1998 Federal Register (FR), starting at page 34967. In the preamble HCFA regulators make the following points. The HCFA benefit rules are based on changes Congress made to the Medicare statute, Part C of title XVIII of the Social Security Act (FR page 34985).

LANDMARK DEVELOPS GUIDELINES FOR SENIOR CAM

Staff at LANDMARK HEALTHCARE has develop over 30 "senior guidelines for CAM," CEO Marla Orth told THE INTEGRATOR. Orth notes that clinical considerations specific to the senior age group need to be part of any CAM initiative in Medicare managed care. Says Orth: "It's a matter of patient and plan protection alike, and purchasers of outside CAM services need to keep this in mind." Some examples Orth noted are:

*** Landmark does not recommend that seniors have an herbal benefit because older patients are often not compliant in taking medications.
*** There should be no manipulations of osteoporotic patients unless you want to risk broken bones.
*** Not only do you need to steer clear of electroacupuncture with any patient who has an implanted electrical device, you need to deploy an acupuncture checklist to make sure patients are checked for this possibility.
*** You don't want to needle a patient who is on a blood thinner or a large amount of aspirin, and again a checklist should be used to prevent it.

Orth told THE INTEGRATOR that more guidelines "are being developed all the time." Landmark has partnered with Blue Cross Blue Shield of Colorado on a CAM Medicare product which was described in the December INTEGRATOR. 800-638-4557

CONGRESSMAN DAN BURTON (R-IN) is continuing his series of explorations of CAM through his GOVERNMENT REFORM COMMITTEE hearing process. A statement from Burton notes that the Committee "is concerned about regulatory over-reaching that will impede the flow of useful information to the public, inhibit doctor patient communication and intimidate individual physicians into giving up the practice of specific alternative therapies, even when their medical judgment tells them to recommend such therapies to their patients." On Wednesday, March 10, the off-label use of EDTA Chelation was explored, and a hearing in late March will focus on dietary supplements. Burton notes that a special area of his interest is "the FTC's investigation and subsequent extraction of a settlement agreement from the American College for Advancement of Medicine (ACAM), an organization founded by physicians who specialize in chelation and other CAM methods. The past-president and president elect of ACAM are among the March 10 presenters. 202-225-5074

CAM PROFESSIONS

The AMERICAN CHIROPRACTIC ASSOCIATION has announced that increasing numbers of state chiropractic associations, individuals (892 total) and other chiropractic organizations (such as the NATIONAL CHIROPRACTIC MUTUAL INSURANCE COMPANY) have now contributed to a Legal Action Fund which is underwriting a suit against HCFA's new regulation which allows plans to meet the MEDICARE manipulation mandate with non-chiropractors. In “The Week in Chiropractic” (3/1/99) Mark Minuto, DC, president of the Pennsylvannia Chiropractic Association (PCA) is quoted as saying: “We, in the PCA, understand that, as HCFA/Medicare goes, so goes the world.” The ACA and PCA believe note that state and corporate practices often follow HCFA practices. Notably, the same issue of the newsletter points out the HCFA -- in a parallel manner -- is proposing that nurse anesthetists be allowed to administer anesthesia to Medicare patients without a physician supervision. Vol 5, #19, TWIC. For ACA: 800-986-4636

The interesting, equivocal relationship of CHIROPRACTIC to the integration process is suggested in data from two recent studies. An article on physician views of CAM in ALTERNATIVE THERAPIES (Crock RD et al, March 1999, Vol 5, No 2, 61-66) found that while 100% of
respondents thought that osteopathy was beneficial, only 77% thought chiropractic to be beneficial. The other was from the INTEGRATOR's integrative clinic benchmarking survey (Feb-March 1999) in which only 5 of the 14 clinics had chiropractors as part of the clinical team, despite chiropractic's place as the most widely used of CAM professions. This compares with 9 for acupuncture, 7 for naturopathic physicians and 100% (14) for massage.

The CALIFORNIA ASSOCIATION OF NATUROPATHIC PHYSICIANS is gearing up for a prolonged licensing campaign by creating a board of advisors. The initial advisory group tilts toward CAM leaders (Dana Ullman, MPH, Efrem Korngold, OMD, INTEGRATOR advisors ANDREW WEIL, MD, and JOSEPH PIZZORNO, ND) but also includes cardiologists and surgeons. GEORGE DE VRIES of AMERICAN SPECIALTY HEALTH PLANS is also in the group, as is INTEGRATOR publisher JOHN WEEKS. The naturopathic physicians, whose formal education standards are the highest in natural medicine in the United States, are licensed to practice in 11 states but none yet are among the most populated. (WA and AZ have the highest population.) The contact is DAVID FIELD, LAC, ND, CANP president. 707-576-7388.

EARLY NOTICE: The AMERICAN ASSOCIATION OF ACUPUNCTURE AND ORIENTAL MEDICINE is holding a fall conference (November 13-14) in Albuquerque, New Mexico, in concert with a scientific symposium. The move was part of an agreement with the NATIONAL ACUPUNCTURE ALLIANCE under which AAOM would begin to hold its annual meeting in the fall rather than the spring. Both associations will meet in Florida in early May, as reported in the January INTEGRATOR. 610-266-1433

CONFERENCES

CAMBRIDGE HEALTH RESOURCES (CHR) and the UNIVERSITY OF MASSACHUSETTS MEDICAL SCHOOL have combined to offer a series of one-day intensives entitled “Evidence-Based Botanical Medicine: Effectively and Safely Integrate Complementary and Alternative Medicine into Clinical Practice.” The faculty are Dennis Awang, PhD, FCIC, and Tieraona Low Dog, MD, AHG. The one day seminars, priced at $999, will be held in Boston (5/17), Los Angeles (5/21), Dallas (6/4) and Chicago (6/11). CHR is producing these programs through what it has entitled the CHR “CAM INSTITUTE.” The education and seminar firm, whose co-founder Julie Brown was featured in the January/February 199 issue of HEALTHCAREBUSINESS (415-956-8242), has sponsored CAM programs in the past. CHR is currently working with LINDA BEDELL LOGAN and SOLUTIONS IN INTEGRATIVE MEDICINE on a June seminar on business practices which, if successful, may also be rolled out into a series.  617-630-1330

In an unusual collaboration, TRADITIONAL ACUPUNCTURE INSTITUTE (TAI), co-founded and headed by INTEGRATOR advisor ROBERT DUGGAN and JOHNS HOPKINS UNIVERSITY SCHOOL OF MEDICINE held a 3 day conference (March 11-13) in Baltimore. Duggan told the INTEGRATOR that roughly 200 individual were in attendance for the $400/physician, $240/allied health professionals event. TAI and Hopkins have had a long-standing relationship, promoted through the years by Duggan. Among the national names of speakers, besides Duggan, are Elliott Dacher, MD, Jeanne Achterberg, PhD, and Tracy Gaudet, MD (U OF ARIZONA PROGRAM IN INTEGRATIVE MEDICINE) and area leaders James Gordon, MD, and Brian Berman, MD.

PUBLICATIONS & MEDIA

The fall 1998 “Special Report on Complementary Medicine” was published by of HEALTHCARE STRATEGY ALERT. The 16 page document provides some new information on numerous CAM initiatives including MEMORIAL HERMANN HOSPITAL, CIGNA Arizona, UNIVERSITY OF
PITTSBURGH and DUKE UNIVERSITY. INTEGRATOR advisor PRESTON GEE authors a column. MELINDA ZIPPIN of SUPERIOR CONSULTANTS played a key role in pulling the special report together. The report was published by FORUM FOR HEALTHCARE STRATEGISTS, Evanston, Illinois. 847-669-9482.

New York publisher FAULKNER & GRAY is developing a directory entitled “The Guide to Coverage of Complementary and Alternative Medicine,” which it promotes as the definitive source on health plan and coverage issues. LUCI KOZUMI, an executive editor with F&G is taking the lead on the project. In conversation with THE INTEGRATOR she noted that F&G is attempting to support its case with results of some limited industry surveys, but had not, as of mid-January, had much success in generative responses to the mailed forms. Ad materials state that the document will include: state-by-state listing of legislative initiatives and coverage mandates; reports from the NIH CCAM (formerly OAM), web listings, federal proposals, “and other resources and sources of information.” 212-822-1266.

________________

PERSONNEL

KEVIN ERGIL, MSS, LAC, formerly the founding dean and director of the PACIFIC INSTITUTE OF ORIENTAL MEDICINE has taken a new position as director of research with NEW YORK COLLEGE FOR WHOLISTIC HEALTH EDUCATION AND RESEARCH. Ergil, a leading researcher in the field, told THE INTEGRATOR that the move was prompted by the opportunity to devote more resources to research projects. 516-364-0808. MARK BRESNICK, MHA, longtime director of the BASTYR UNIVERSITY teaching facility, is planning to leave Bastyr this spring and is exploring employment opportunities in the emerging CAM industry (206-834-4104). ...
As always, your feedback is welcome. -- John Weeks, Publisher-Editor

------------------

1  LANDMARK II, TAKE 2

A more thorough look at the entire LANDMARK HMO REPORT II has netted an array of reflections about the real meaning and value of this study's findings. These, developed for the April INTEGRATOR, are appended to the bottom of this NEWSFILE.

2  BUSINESS DEVELOPMENTS AND MISCELLANEOUS

ALTERNATIVE LINK & CITX IN WEB DEAL

On March 15, ALTERNATIVE LINK, the developer of a patented coding and claims processing system for CAM services, and CITX CORPORATION, of Quakerstown, PA, announced the launch of AmedNet (www.amednet.com) which they describe as “an Internet Portal and healthcare network.” CitX describes itself as “a privately held, leading high-tech company that primarily develops and markets B2B Electronic Commerce solutions, Community-Centric Portals, and Network-Centric (Web-Hosted) software applications.” AmedNet will “focus on providing information, resources, on-line services, and products” to diverse CAM practitioners. The portal will have a free consumer “Health and Wellness” entrance as well a practitioners entrance ($9.95/month) where they may be equipped with resources to "make their practices more efficient, their communications more effective, and their lifestyle more enjoyable," according to the PR New release. The latter are to include “on-line practice management services, such as insurance eligibility/verification, formality list, relative value studies, medical claims coding and processing, and integrated Web-based EDI / XML enabled e-commerce services.” RICHARD SCHWARTZ, national sales director for CitX states that CitX, Alternative Link and other partners “are committed to have the AmedNet Portal become the most utilitarian and widely used brand in the Alternative Medicine industry, as well as the entire market of interactive healthcare.” CitX, and Alternative Link, headed up by MELINNA GIANNINI, are in the process of forming an advisory committee. CitX Corporation at 215-538-3535. For Alternative Link: 505-527-0636

N-CAM AND AWHN CONTRACT

ELIZABETH MANZOLILLO, president of N-CAM, the emerging national “network of CAM networks,” informed THE INTEGRATOR that it has inked a deal with AMERICAN WHOLEHEALTH NETWORKS (AWHN) on March 19 under which AWHN with “utilize N-CAM for their national network clients.” Some N-CAM networks must re-credential their providers to participate. AWHN had earlier inked a deal with national network COMPREHENSIVE HEALTH GROUP, of Atlanta, Georgia, on its chiropractic network. CHG in turn had an arrangement with N-CAM for N-CAM’s broader CAM services. Manzolillo notes that AWHN is expected to bring 4,000,000-5,000,000 lives into the affinity product soon. N-CAM has also recently signed deals with CARE ENTRE -- which has originally planned to work with FAMILY HEALTH AMERICA (SEE 1/99 INTEGRATOR), UNICARE, FREEDOM HEALTH AND WELLNESS and WELLNESS PLUS, all of which are affinity or discount card plans.

RE THE LANDMARK HEALTHCARE “SENIOR GUIDELINES”

Last NewsFile (#7) reported four short “guidelines” Marla Orth had mentioned LANDMARK HEALTHCARE had developed regarding CAM for seniors. An I/H subscriber who is a traditional Chinese medicine leader responded strongly that a three guidelines were over-protective and did
not adequately reflect the abilities of a skilled, well-trained practitioner of TCM. When notified of these comments, Orth noted that the comments had been made in the context of a reporter’s questions on senior care, not on guidelines. She expressed a wish that anything reported in the INTEGRATOR on guidelines be developed with DAVID WELLS, MD, the firm’s medical director for CAM. THE INTEGRATOR will pursue the later story. Meantime, please do not treat the “guidelines” as such.

HEALTH CANADA COMMISSIONS INTEGRATION REPORT

The TZU-CHI INSTITUTE OF COMPLEMENTARY AND ALTERNATIVE MEDICINE in Vancouver, BC, contacted THE INTEGRATOR in mid-March as part of a research project commissioned by Canada’s national health agency, HEALTH CANADA, which is looking at the state of CAM integration in four other nations (US, China, Australia and the United Kingdom). The lead researcher is BETHANY BECKER. THE INTEGRATOR was among the leading sources asked to supply information on the US environment. A solid draft of the report, entitled “Integrated Health Care in an International Context: An Overview of Complementary and Alternative Health Practices and Therapies in Health Delivery Systems” was to be completed by March 31. The Tzu-Chi Institute was founded in 1997 through a widely-reported $10-million endowment. 604-875-4769

2 CONFERENCES

TIBER GROUP REPORTS BIG ACHE CAM INTEREST

KAREN HOHENSTEIN and LISA ROLFE of THE TIBER GROUP, a Chicago-based health care consulting group presented a session on CAM integration at an early March meeting of the AMERICAN COLLEGE OF HEALTHCARE EXECUTIVES (ACHE). The sessions reportedly drew standing-room only crowd of 150-175 in each of two sessions, for a total of some 300 participants. The presentation materials, which provide a useful introductory approach to integration considerations, are to be posted on the ACHE website, according to Hohenstein. Contacted by THE INTEGRATOR, Hohenstein noted that one of the firm’s clients in integration is NORTHWESTERN MEMORIAL PHYSICIAN GROUP. The facility, which offers acupuncture, herbal medicine, massage, chiropractic and psychotherapy, opened its doors in the winter of 1998. The build out was priced at $300,000. First year volume exceeded projections and the center of “hub”, as Hohenstein calls it, is currently tripling its size after “starting small to build knowledge.” 312-609-9907

EMPLOYEE BENEFITS CAM PRESENTATION

The 12th annual BENEFITS MANAGEMENT FORUM AND EXPO produced by EMPLOYEE BENEFITS NEWS scheduled for October 10-13 at the Opryland Hotel includes a single presentation on CAM: “Alternative Medicine: What is it, How to Manage it, and How it Can Save You Money.” The presentation is billed as a corporate story in which “this employer has steered over 50 ‘difficult to diagnose’ employees to alternative medicine providers and experienced dramatic results.” The presenter is DOUGLAS YOUNKER a director of human resources with ICON HEALTH AND FITNESS in Logan, Utah.
ACUPUNCTURIST COOPERATION

Leaders of the AMERICAN ASSOCIATION OF ORIENTAL MEDICINE (AAOM) and the NATIONAL ACUPUNCTURIST AND ORIENTAL MEDICINE ALLIANCE made positive strides toward cooperation at a January 16 meeting in Washington, DC. The national energy of the acupuncture profession has been split between the two groups, a 501 (c)(3) professional organization and a 501(c)(4) organization, respectively, each of which was an operating budget at or about just $200,000 (see February-March issue), for most of this decade. A statement in the Alliance’s Spring Forum, which was partially crafted by AAOM president ROBBEE FIAN, LAC, acknowledges a “difference in vision” between the two groups, which is “complementary and reinforcing rather than competitive.” The AAOM represents “those who master all aspects of traditional Chinese medicine and desire to practice as primary care physicians,” while the Alliance also supports other practitioners of AOM to practice according to their tradition, scope of practice and education,” as well as “at a level appropriate to their training.” The Alliance also views itself as representing chemical dependency acupuncturists, Oriental bodywork therapists and practitioners of Chinese herbology. A separate statement by JAMES BLAIR, LAC, Alliance president, notes his organization’s desire to “engage a dialog regarding appropriate training” of MDs who wish to practice acupuncture with organizations like the AMERICAN ACADEMY OF MEDICAL ACUPUNCTURE: “That is what the Alliance is all about -- building bridges based on competency.” The two organizations agreed in principle to form a joint legislative committee to explore cooperation on legislative agendas.

NBJ ESTIMATES TOTAL SERVICES REVENUES IN CAM PROFESSIONS

The NUTRITION BUSINESS JOURNAL (NBJ) (see MEDIA, below) recently (Vol. IV, No. 1, January 1999) estimated total annual “service revenues” represented by the major CAM professions or therapies. These are noted in table X. The estimates of total numbers of practitioners per profession and average annual income on which the calculations are based may overstate the economic strength of individual practices and of the professions they represent, according to INTEGRATOR estimates. So while the data may be best viewed as high-side calculations, they are presented as a rough look at the emerging CAM service sector.

<table>
<thead>
<tr>
<th>Profession</th>
<th>Est. Annual Service Revenues In Millions ($1,000,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chiropractic</td>
<td>$8,000</td>
</tr>
<tr>
<td>Homeopathy</td>
<td>$560</td>
</tr>
<tr>
<td>Massage Therapy</td>
<td>$6,900</td>
</tr>
<tr>
<td>Naturopathy</td>
<td>$460</td>
</tr>
<tr>
<td>Osteopathy</td>
<td>$10,000</td>
</tr>
<tr>
<td>TCM/Acupuncture</td>
<td>$3,900</td>
</tr>
</tbody>
</table>


REGARDING THE ACTUAL STATUS OF CAM IN THE MEDICAL SCHOOLS

A recent exploration by THE INTEGRATOR of the CAM educational programs in US medical schools strongly supported a comment made by ANDREW WEIL, MD, at this year’s CAM conference sponsored by the Harvard University. He noted that most are electives, and often just an hour or two at best. An informal INTEGRATOR telephone survey, as part of a marketing effort, with many of the educational leaders of the programs listed in the MARY ANN LIEBERT journal (The Journal of Alternative and Complementary Medicine, Vol. 4, No. 3, 1998, 325-335), underlined this. Many instructors were found to be community providers who are not part of the medical school faculty. Little internal budget or support frequently exists for CAM. While the
movement to include CAM as electives is a beginning, the programs appear to be best understood -- like many CAM benefits of insurers -- as effectively outsourced. The current programs cannot be expected to imply that internal competency in CAM is building inside the institution. An exception is Weil’s PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA SCHOOL OF MEDICINE. An April 1999 “Special Issue” of Natural Health magazine features Weil’s fellowship program (see May 1998 INTEGRATOR) and provides an in depth look at the first group of fellows. For single copies on the Natural Health issue ($5): 800-611-0758

____________________

MEDIA

MEDICAL ECONOMICS: RESOURCES

“How to Get up to Speed on Integrative Medicine” is a useful listing of resources on CAM integration in MEDICAL ECONOMICS (2/22/99) developed by DEBORAH GRANDINETTI, a senior associate editor who is the publications lead on CAM issues. The five page articles describes numerous newsletters, tapes, books and conferences. Most -- including this publication -- have been previously described in The Integrator. The article is useful overview or handout to interested physicians and administrators. 201-358-7200

NUTRITION BUSINESS JOURNAL: 17 PAGE FEATURE

The January 1999 issue of the NUTRITION BUSINESS JOURNAL (Strategic Information for Decision Makers in the Nutrition Industry), widely regarded as the best source of data on the burgeoning nutraceutical industry, has a 17 page cover feature on alternative medicine integration. This is the second annual NBJ issue to focus on alternative medicine. While much of the material will be familiar to INTEGRATOR readers -- publisher-editor John Weeks and THE INTEGRATOR are widely cited resources -- the report includes much additional useful information. BILL FAIL of the free-standing HAEATH complementary clinic in New York City is interviewed on that clinic’s positioning “to position ourselves as the physicians’ aid.” Among those interviewed for the piece include ROBERT MAYO, president of CANCER TREATMENT CENTERS OF AMERICA, ALAN TRACHTENBERG, MD, WALKER MCCUNE of INTEGRIHEALTH, GEORGE DEVRIES of AMERICAN SPECIALTY HEALTH PLANS, MELINNA GIANNINI of ALTERNATIVE LINK, SANDI CUTLER of BASTY UNIVERSITY, MICHAEL LEVIN of TYLEN ENCAPSULTATIONS and INTEGRATOR advisors LINDA BEDELL LOGAN OF SOLUTIONS IN INTEGRATIVE MEDICINE and MORT ROSENTHAL OF WELLSPACE. NBJ’s estimates of gross revenues associate with the combined practices of the members of the distinct CAM professions are included in CAM Professions section or this INTEGRATOR. Single issue price: $75. 619-295-7685

HEALTHCARE STRATEGY ALERT

The fall 1998 “Special Report on Complementary Medicine” was published by of HEALTHCARE STRATEGY ALERT. The 16 page document provides some new information on numerous CAM initiatives including MEMORIAL HERMANN HOSPITAL, CIGNA ARIZONA, UNIVERSITY OF PITTSBURG and DUKE UNIVERSITY. INTEGRATOR advisor PRESTON GEE authors a column on developing consumer interest. MELINDA ZIPPIN a CAM leader with SUPERIOR CONSULTANTS played a key role in pulling the special report together. The report was published by FORUM FOR HEALTHCARE STRATEGISTS, Evanston, Illinois. For the Forum or a copy of the issue: 847-669-9482.

____________________
Landmark Healthcare on HMO Coverage of Alternatives: Report #2

HMO interest in complementary and alternative medicine (CAM) appears to be growing significantly, according to a new report released March 10 by Landmark Healthcare. Marla Orth, Landmark’s CEO, told THE INTEGRATOR that among the chief findings were:

- **Industry future**  "With nearly 70% offering some CAM, we have a good indication of where the industry is going to go."
- **Regional variation**  "Unlike conventional wisdom, we found no significant regional differences."
- **Services offered**  "Chiropractic and acupuncture are the services of greatest importance"  (66% and 31% offer, respectively).
- **HMO motivation?**  "Demand, demand, demand, demand, demand."

This is the third in a series of significant surveys funded by Landmark, a Sacramento–based CAM services organization and specialty health plan. The first, in 1996, provided a more limited look of leading HMOs in 16 markets. The second, published in January 1998 and based on phone interviews in late 1997, offered the first nationwide snapshot of consumer interest in CAM since David Eisenberg’s historic report in the *New England Journal of Medicine* which was based on 1990 data. (See March 1998 issue.)

*The Landmark Report II on HMOs and Alternative Care* is based on 30-50 minute interviews with executives from 114 HMO out of the 449 HMOs which met Landmark’s qualifying criteria. Criteria were: non-specialty HMO with greater than 5,000 lives. Of the executives, 64% were in marketing and sales. The entire group average 15.5 years in health care and 7.1 with their current HMO. Landmark contracted the survey to an independent firm, National Market Measures, Inc.

An important feature of the study is that that an HMO “offering CAM” includes an HMO which may merely offer “discount” or “affinity” products, Orth told THE INTEGRATOR. She states that HMOs often offer discount products as an adjunct to other rider or core benefit products. A plan that may cover chiropractic may, for example, offer massage only as a discounted services, states Orth. In this case, both chiropractic and massage would be included as “offered.” The survey did not specifically differentiate the extent to which the services reaching individual consumers are covered as paid benefits, or merely discounted. Based on past INTEGRATOR experience, many of the services, such as yoga, Tai chi, acupressure, homeopathy and reflexology, may be presumed to be largely affinity-based.

**General data and trends**

Table 1 offers summary data from the wide-ranging survey. Beyond chiropractic and acupuncture, present “offerings” falls off significantly. Massage is next at 11%, followed by vitamin therapy (6%), relaxation therapy (5%) and an array of a dozen other CAM treatments at between 1% and 4%. Naturopathy, the other CAM service which may be provided most often by a distinctly licensed CAM discipline, was covered by 2% of those surveyed. Naturopathic doctors are only licensed in 11 states, as compared to 29 for massage and 34 for acupuncture.

One important finding is that the offerings by HMOs appear to be increasingly translating into actual benefits to HMO members. Landmark found a 17% expected rate of increase in the percent of members who have access to these CAM offerings, to 56% within two-three years. The present rate is 48%. A third of the HMOs say that 100% of their members will be covered within 2-3 years. This may suggest that at least some alternative care is included as a core benefit. The report did not cast light on the breadth of CAM which will be included.
Areas of greatest expected growth are acupuncture, acupressure, massage, vitamin therapy, Tai Chi and relaxation therapy. Each were “somewhat likely” or “very likely” to be offered “in 2 to 3 years” by over 20% of the responding plans. The “very likely” component was highest with acupuncture, at roughly 14% with “somewhat likely” representing another 22%. Explains Orth: “When the NIH released it’s consensus document on acupuncture, acupuncture gained validity.” (See December 1997 issue.) For the others, the “very likely” is a smaller fraction of the positive response. The importance of demand from purchasers in HMO choices suggests that the health or the economy and the rate of escalation of core benefit costs may be key determinants of whether CAM services are added, and, if so, whether as covered benefits or merely as discounted products.

Whatever the employer or purchaser demands, the perception of these executives is clearly that consumers will increasingly want CAM. Nearly three-fourths (74%) believe that consumer demand will be moderate (40%) or strong (34%). Another 27% believe demand will be mild. None believes there will be no consumer demand.

Reasons for inclusion or for skepticism: Add-on vs replacement

The report offers some intriguing data on motivations for both those who have added CAM and those holding back. Orth summarizes: “It’s not a-typical of any industry. There is a subset of early adopters that believes its reasonable and cost-neutral and there are late adopter who are saying you’ve got to prove it.”

Table 1 looks at chief motivations. Demand is the core reason for offering these services for over two thirds (76%), whether such demand is “asked” by members, employers and groups or if the interest is expressed legislatively, via mandate. In a separate, open-ended question in which multiple responses were allowed, 71% of those offering CAM noted market-employer-consumer demand, 29% state mandates and 29% “effectiveness of therapies.”

Interestingly, of the executives in HMOs which don’t offer CAM, few (8%) expected that the move civil expression of demand would be the chief factor in their decision-making, but a nearly a third (32%) thought that legislated intervention would be the core. These “late adopters” (non-adopters at this point) to use Orth’s phrase, emphasized that their decisions to add must principally be based on evidence that the therapies are clinically effective (29%) or would lower health costs (24%).

In an open-ended, multiple-responses allowed question, the top four reasons cited by these 38 HMO executives were: lack of demand (45%), no evidence of cost savings (32%), lack of acceptance by physicians (26%) and no documentation of medical efficacy (26%).

On the core question of whether CAM is an add-on or replacement for other health care costs, the executives were nearly evenly split. Of the total set, 51% believe that CAM can reduce cost. This figure represents two subsets, one of which believes CAM reduces costs (21%) and another that CAM nets out evenly (30%). The remaining 49% believes CAM adds to costs. Overall, 54% of those offering CAM perceive that these services at least net out positive, compared to just 41% of executives in HMOs with no offerings. However, evidence of effectiveness (8%) and cost-effectiveness (0%) were rarely, if ever, the prime reasons for offering CAM.

<table>
<thead>
<tr>
<th>Single Most Important Factor</th>
<th>Plans which Offer CAM</th>
<th>Don’t Offer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Managing CAM and double standards

Another intriguing data set in the report circles around medical management. This data may be viewed as guidance for all those CAM businesses seeking to partner with HMOs. The study found that one-half of the HMOs are contracting with external vendors for these services.

Executives were asked whether certain factors were more, or less important, in choosing CAM services, relative to conventional services. The standout areas were "procedures to measure effectiveness" and "evidence of clinical efficacy." Nearly 30% of the executives believed each of these issues to be of greater importance in this arena than in choosing conventional providers. Qualifications and credentials of providers are also viewed as more important by nearly a fifth of executives. Overall, quality of care and credentials of providers are the most important factors "in choosing alternative care vendors."

On the other side of the equation, the executives found certain issues of less concern. Included here are size of the practitioner network (>40%), ease of access to providers (nearly 30%). Small, start-up network firms may take some solace from a finding that roughly 15% believe that "financial health of the company" and "strong, experienced management" are less important in this arena than in conventional care.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Importance on 1-5 scale (average)</th>
<th>Importance relative to choosing conventional providers (approx)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>LESS</td>
</tr>
<tr>
<td>Quality of care</td>
<td>4.5</td>
<td>6%</td>
</tr>
<tr>
<td>Credentials of providers</td>
<td>4.3</td>
<td>6%</td>
</tr>
<tr>
<td>Qualifications of providers</td>
<td>4.3</td>
<td>2%</td>
</tr>
<tr>
<td>Competitively priced</td>
<td>4.2</td>
<td>12%</td>
</tr>
<tr>
<td>Easy access</td>
<td>.40</td>
<td>28%</td>
</tr>
<tr>
<td>Evidence of clinical efficacy</td>
<td>3.9</td>
<td>16%</td>
</tr>
<tr>
<td>Evidence of member satisfaction</td>
<td>3.9</td>
<td>10%</td>
</tr>
<tr>
<td>Financial health of company</td>
<td>3.9</td>
<td>13%</td>
</tr>
<tr>
<td>Procedures to measure effectiveness</td>
<td>3.8</td>
<td>13%</td>
</tr>
<tr>
<td>Reporting capabilities</td>
<td>3.8</td>
<td>16%</td>
</tr>
<tr>
<td>Strong, experienced management</td>
<td>3.8</td>
<td>14%</td>
</tr>
<tr>
<td>Administrative procedures</td>
<td>3.6</td>
<td>12%</td>
</tr>
<tr>
<td>Size of practitioner network</td>
<td>3.5</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MORE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6%</td>
</tr>
</tbody>
</table>

1 Based on non-specific bar chart

This data suggest that, to varying extents, double standards do exist in health system judgments on CAM and alternative medicine, at least as expressed by these executives. The theme was raised by Marcia Angell, MD, editor of the *New England Journal of Medicine* in a September 18,
1998, editorial in which she opined that CAM is not being asked to meet as high a standard as conventional care. However, these findings -- largely as expressed by marketing executives -- are equivocal on this point. The standard appears at times to be higher, for instance, in the greater importance given to evidence of clinical effectiveness. At the same time, market forces -- “demand, demand, demand” as Orth puts it -- are clearly driving HMO decision making more than evidence of effectiveness or cost effectiveness.

Comment: a next tier of unanswered questions

The Landmark Report II provides the emerging industry with an important first cut of answers to much needed information in defining the operating environment. But these answers birth their own, second tier of questions. These fundamentally relate to the difficulty in expressing two shape-shifting concepts in one data point:

- What is “coverage” -- Is it as a rider, core benefit or merely discount?
- What is “alternative care” -- this can range from a single therapy for a single condition for defined duration (fee for services Medicare’s chiropractic for up to 12 visits for acute low-back pain, for example) to Regence Blue Shield allowing members to choose naturopathic physicians as PCPs and the Illinois Blues offering a similar plan for chiropractors.

These issues are explored in the Viewpoint (“About that Big List of HMOs that Cover CAM”). Some specific questions begged by Landmark II are:

- To what extent are these services core benefit, rider or discount? What services are core benefits?
- For what percent of HMOs is a mandate not a factor in CAM coverage? If there is a mandate, does the HMO offer more than is mandated?
- Are the covered services provided by distinctly licensed providers? Or are they covered only if provided by individuals with conventional medical degrees, such as acupuncture by an MD/DO or massage by a nurse or physical therapist?
- How many of the HMOs which are not externally contracting for networks have created formal internal networks of credentialed providers?
- Are any distinctly licensed CAM providers formally involved in the HMO disease management or case management processes? Are any individuals with CAM expertise?
- What percent have evaluated, or plan to evaluate, whether the services are an add-on, replacement or cost-saving? When can we expect reports?

In short, the report’s boldest assertion -- that “67% of HMOs offer alternative care” -- is an important marker relative to the polarization and externalization of CAM as recently as the early 1990s. Yet this Landmark II finding may best be understood -- like the finding of CAM education 64% of the nation’s medical schools (see CAM Professions, this issue) -- as, in Orth’s own terms, as “evidence of the direction the industry is going.” How far and how fast are not known.

Yet clearly, from the perspective of the consumer’s whose use of CAM ranges the entire spectrum of medical and health promoting reasons, Landmark II’s core assertion is a gross overstatement. Only a fraction of consumers will find that their CAM use, for the purpose which they value services, is covered by virtually any HMO, particularly if chiropractic for low back and discount products are left out of the picture.

End

INDUSTRY/HEALTH News File #8, March 1999
NEWS FILE #9, MARCH 26, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1  NMHCC Final Notes:  Tuesday Evening Reception
2  Mercer/Foster Higgens Employer-CAM Data
3  InterStudy on HMO

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE:  If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

NOTE TO I/H SUBSCRIBERS
As always, your feedback is welcome.  -- John Weeks, Publisher-Editor

1  NHMCC FUNCTION

PRECONFERENCE (Monday, 9:15 AM -- 12:15 PM) Wes Alles, PhD, Stanford, John Astin, PhD, Stanford, and Marla Orth, CEO, Landmark, each presenting research and survey data.

DEBATE (Monday, 2:45 PM -- 4:14 PM):  John Renner, MD, long-time quack buster, and the tag-team of Hassan Rifaat, MD, COO Alignis, and James Dillard, MD, DC, CAC, Medical Director, Oxford.  Sponsored by ALIGNIS.

ALTERNATIVE MEDICINE TRACK (7 sessions, Tuesday-Thursday)) David Eisenberg, MD, for the lead-off session.  Sponsored by AMERICAN SPECIALTY HEALTH PLANS.

TRACK RECEPTION (Tuesday 6:30 -- 8:00 PM):  Reception for all participants in the Alternative Medicine Track.  The reception will be held at the Westin [ROOM #], four blocks from the convention center, just following regularly scheduled NMHCC events.  Organized by THE INTEGRATOR and underwritten by AMERICAN WHOLEHEALTH NETWORKS

INTEGRATOR INDUSTRY/HEALTH AOVR2 MEETING (Monday Breakfast):  The I/H meeting on Add on Versus Replacement or Reduction, announced in I/H FEEDBACK LOOP #2, has been scheduled.  Roughly 12 I/H leaders have planned to attend this exploration of possible collaborative strategies on the core question of whether CAM is an “add-on”, “replacement” or “reduction” to conventional services and costs.  Sponsored by THE INTEGRATOR/INDUSTRY HEALTH program.

Expect reports in future I/H Newsfiles.

MERCER DATA ON EMPLOYER COVERAGE OF CAM
The annual MERCER/FOSTER HIGGINS NATIONAL SURVEY OF EMPLOYER SPONSORED HEALTH PLANS asked questions about CAM for the first time in the 1998 edition. The survey, representing practices of over 4181 respondent employers, found that the following types of CAM care were offered by the percentages of employers noted below. Each type is noted based on size of the firm.

Key: Ac (acupuncture/acupressure), Bio (biofeedback), DC (Chiro), Hom (Homeopathy), MT (Massage Therapy)

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Percentage of Employers Offering</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ac</td>
</tr>
<tr>
<td>PPO 500+ workers</td>
<td>19%</td>
</tr>
<tr>
<td>10-499</td>
<td>10%</td>
</tr>
<tr>
<td>Point of Service</td>
<td></td>
</tr>
<tr>
<td>500+</td>
<td>15%</td>
</tr>
<tr>
<td>10-499</td>
<td>14%</td>
</tr>
<tr>
<td>HMO</td>
<td></td>
</tr>
<tr>
<td>500+</td>
<td>9%</td>
</tr>
<tr>
<td>10-499</td>
<td>11%</td>
</tr>
<tr>
<td>Traditional Indemnity</td>
<td></td>
</tr>
<tr>
<td>500+</td>
<td>17%</td>
</tr>
<tr>
<td>10-499</td>
<td>14%</td>
</tr>
</tbody>
</table>

Chart source: William Mercer (see below)

Janice Stanger, who heads up CAM exploration for Mercer, said that she feels that the numbers on homeopathy and biofeedback were “not wrong, but skewed upward.” She felt that the reasons may be lack of understanding among the respondent executives about these services. Stanger felt that the data suggest that larger employers were taking the lead “as they are often self-insured, with more flexibility.” Stanger said Mercer intended to keep asking CAM questions in the annual employer surveys: “This data will establish a baseline.” Stanger, when contacted by THE INTEGRATOR, noted that Mercer has been receiving increasing requests from its clients relative to CAM. Mercer, she said, has decided “to develop some intellectual capital in this.” (202-331-5210)

INTERSTUDY: MORE DATA ON HMOS AND CAM

The last two NEWSFILES looked at the Landmark Report II data on HMOs and CAM. Another useful perspective on HMO behavior s provided by THE INTERSTUDY COMPETITIVE EDGE 8.2, PART II: HMO INDUSTRY REPORT. The St. Paul based firm has been a leading source of information for “market driven health care.” This is the first year that questions on CAM were asked. Unlike the Landmark study, InterStudy separated out chiropractic from “Complementary Care” (CC). CC, in this study, included two significant categories which are not in the Landmark study: “Weight management” (37.7% offer) and “Stress management” (33.0%). The next highest findings are for “nutrition” (29.6% -- there is no distinct “vitamin therapy” category), acupuncture (27.4%), biofeedback (24.3%) and massage therapy (13.7%). There were, as in the Mercer study above, surprisingly high numbers -- and probably skewed upward -- in certain categories: naturopathy (8.1%), homeopathy (5.5%), yoga (5.6%) and herbal medicines (5.1%). Some additional interesting findings of this study were:

<table>
<thead>
<tr>
<th>Question</th>
<th>Comp. Care</th>
<th>Chiro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services included in standard</td>
<td>8.4%</td>
<td>57.5%</td>
</tr>
</tbody>
</table>
Another interest area explored was “how HMOs create access to complementary care.” The findings: standard benefit with no increased out of pocket (44.4%), referral network, no coverage (27.8% -- affinity or discount product), standard benefit with increased out-of-pocket (16.7%) and special rider on premiums (11.1%). The almost 1/2 which have CAM in a standard benefit probably reflects the high percentage of weight loss and stress reduction in the definition of complementary care. In addition, the low percent using a rider may be a function of chiropractic being in its own category and the few acupuncture, massage or naturopathic medicine riders which are yet in place.

The report suggested that CAM benefits “center on therapies and counseling that may help control heart disease, hypertension and other cardiovascular diseases” as a means to control costs. The top motivators for offering CAM care were found to be consumer requests (48%), cost control (36.5%), market competition (36.55), legislative mandates (19%) and provider requests (17%). Other respondents noted such things as “growing evidence of effectiveness” and “HMOs corporate wellness philosophy” and “medical necessity.” No quantifiers were provided for these.

The data is based on written responses from a set of 386 HMOs reporting data as of January 1998.

End
INDUSTRY/HEALTH News File #9, March 26, 1999

___________________________
INDUSTRY/HEALTH SUBSCRIBER

NEWS FILE #10, APRIL 2, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 ADD-ON VERSUS REPLACEMENT: I/H meeting at NMHCC, brief report
2 GOVERNMENT ACTION: Montana ND insurance mandate
3 RESOURCES: Massage licensing, AIS on business of integration
4 MEDIA: Network piece in Medical Economics, Tyler in Drug Topics

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1999

___________________________
AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.
NOTE TO I/H SUBSCRIBERS

As always, your feedback is welcome.  -- John Weeks, Publisher-Editor

__________________

1  ADD ON VERSUS REPLACEMENT

I/H MEETING ON ADD-ON VERSUS REPLACEMENT/REDUCTION AT NMHCC

A special NMHCC breakfast gathering on add-on-versus replacement or reduction (AOVRR) issues, sponsored by THE INTEGRATOR, was held on March 29. Among the 12 attendees were CEOs of VPs executives with most of the nation’s major CAM networks. The historic meeting was the first time representatives of these competitive firms had examined the ways in which collaborative activity might assist the expansion of the industry and increase the respect for CAM service in the broader healthcare payment and delivery system. Discussion included mention of early pilot projects on data exchange and analysis which some networks have commenced with their significant HMO partners. Ways that providers of affinity services might also participate in creating data which, while less robust, might be useful, were also explored. The next step is a follow-up memo from THE INTEGRATOR which sifts the fertile ideas into possible action steps. The I/H subscribers will then decide about their future participation.

2  GOVERNMENT ACTION

MONTANA IN INSURANCE EQUITY FOR NATUROPATHIC PHYSICIANS

The Montana state legislature has resoundingly passed legislation which will require insurers in that state to cover those services by naturopathic physicians which are also covered when provided by other licensed provider types. The bill swept through the legislature with very little opposition, THE INTEGRATOR has learned, and is presently awaiting signing by the governor, who is expected to support the measure.

3  RESOURCES

A good overview of the status of massage licensing laws nationwide is in the March/April issue of MASSAGE MAGAZINE. A list of laws in all regulating states describes: 1) regulatory contact; 2) title/type of credential; 3) required education/written or practical exam; 4) whether NATIONAL CERTIFICATION EXAMINATION FOR THERAPEUTIC MASSAGE AND BODYWORK is used; and 5) renewal fees. Another article in the same publication reviews the federal government’s examination of the classification of massage into the array of occupations in the United States. The core question -- of interest to payers and providers -- is whether massage is viewed as a personal service, a health care procedure or both. The decision on classification is reflected, downstream, in the types of information which will be entered in US databanks over the next 10 years. For the past 25 years, the federal government has classified massage as a personal service. Both articles are by massage politics reporter JACK THOMAS. 800-533-4263

The premier issue of ALTERNATIVE MEDICINE BUSINESS NEWS, published by ATLANTIC INFORMATION SERVICES and under the editorial direction of ELAINE ZABLOCKI, looks to be a well-reported source of information focusing on CAM policies of HMOs and employers. Reported data in Volume 1, Number 1 includes sample benefit structures and PMPM rates in a California employer’s acupuncture-chiropractic benefit ($5 co-pay, 40 visit maximum, $5.94 PMPM, employee only) and the Matthew Thornton rider ($5 co-pay, $500 maximum, $6.30 PMPM; $10 co-pay, $1000 maximum, $7.73 PMPM). 800-521-4323
3 CONFERENCE & MEDIA

On May 22, the SOCIETY FOR ACUPUNCTURE RESEARCH is partnering with UC IRVINE for a focused day, with a remarkable international panel of speakers, on the state of acupuncture research, New Directions in the Scientific Exploration of Acupuncture. Edward Wong, Jr., MD, is workshop co-chair (949-824-5905) with Richard Hammerschlag, PhD. $115.

Stimulated by a PR NEWSFILE account of THE INTEGRATOR CAM NETWORK EXECUTIVE SURVEY, a leading national magazine for physicians, MEDICAL ECONOMICS, will run an article in a future issue on CAM networks. The draft includes interviews with GEORGE DEVRIES founder of AMERICAN SPECIALTY HEALTHPLANS, ALAN KITTNER with CONSENSUS HEALTHCARE, LAURA PATTON, MD, clinical director from alternative medicine at GROUP HEALTH COOPERATIVE OF PUGET SOUND, a partner with AMERICAN WHOLEHEALTH NETWORKS, as well as with INTEGRATOR publisher John Weeks. While the information will not be new to INTEGRATOR readers, its coverage in this media is significant.

The coup by TYLER ENCAPSULATIONS in partnering as the natural products supplier with AMERINET, a major group purchasing organization for hospitals, physicians and health systems, was written up in DRUG TOPICS, March 15, 1999, page 59.

End
INDUSTRY/HEALTH News File #10, April 2, 1999

________________________

INDUSTRY/HEALTH SUBSCRIBER

NEWS FILE #11, APRIL 9, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Sloans Lake CAM Benefit Becomes Core
2 Sloans Lake Spiritual Care Benefit
3 Doody Honors Integrative Medicine Communications’ Commission E
4 WellCall Targets Hi-Tech
5 Oxford Hires New CAM Business Manager
6 Bastyr Event: Designing the Doctor of the Future

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1999

________________________

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

________________________

NOTE TO I/H SUBSCRIBERS

As always, your feedback is welcome. -- John Weeks, Publisher-Editor
SLOANS LAKE: EXPERIENCE DATA MOVES CAM INTO CORE BENEFIT

The INTEGRATOR has learned that initial experience with a CAM rider has convinced SLOANS LAKE, Colorado’s largest HMO, to offer a CAM benefit as part of the core service. (See August 1998 on Sloans Lake.) Robert Faraci, MD, medical director, notes that the decision was made in part because initial experience suggested that the overall per member per month (PMPM) is “roughly the same” for individuals with the rider and those without. He adds, however, that from the results “it doesn’t look like over-all costs is diminished” with CAM users. He underlines that data is preliminary. The HMO is partnering with researchers at the University of Colorado Health Sciences for analysis which moves beyond claims history. The research model includes use of an SF 12 prior to CAM use and a re-survey 6 months following use. “This will be a pilot for a larger grant.”

Faraci is particularly excited with the prospects for learning due to the firm’s use of the ALTERNATIVE LINK coding system which captures extensive detail about the nature of the CAM intervention. “It’s a terrific system,” Faraci volunteers. With CAM as a core benefit, Faraci hopes the system will have a chance to learn more about the role of CAM: “We’re both shocked and disappointed that the alternative medicine benefit is not used more.” The HMO’s membership has grown significantly in the last year. Faraci does not attribute the growth to the HMO’s CAM product. He notes that the rider was purchased in 40% of the new business. The original benefit

CREDENTIALING PASTORAL COUNSELORS: SLOANS LAKE PIONEERS NEW PROVIDER NETWORK

In a pioneering move that has drawn national attention in major media, SLOANS LAKE has introduced a new SPIRITUALITY BENEFIT which is provided by a credentialed network of pastoral counselors. The credentialing standards are considered proprietary by SLOANS, according to ROBERT FARACI, MD, medical director. The network characteristics follow:

Size 20-25 credentialed providers
Region Greater Denver for initial network
Included Protestant ministers, Rabbis, Muslim ministers, Buddhists and others who are non-denominational.
Fees Base on excepted fee schedule
Access PCP referral, specialist referral, self-referral
Visits 6 maximum
Co-pay $10
Initiated April 1, 1999
HMO lives 43,000
Triage Spiritual Care Coordinator
Media Unsolicited -- national TV, print, plus diverse industry media

Faraci notes that the team, which worked on the benefit for a year, decided to break the services into two types: “Spiritual Counseling,” when a person needs specific counseling over a presenting life issue; and “Spiritual Direction,” when a person is “trying to get in touch with it.” Of critical importance is the Spiritual Care Coordinator, notes Faraci. The person filling this role for Sloans Lake is triple-trained in law, nursing and theology. The HMO expects the spiritual care benefit to be more widely used than the CAM benefit. 800-457-2345
The Commission E Monographs, published by INTEGRATIVE MEDICINE COMMUNICATIONS based in Newton, MA, has been selected by Doody Publishing is one of the top three medical books of 1998. This is the first time an alternative medicine title has been so-honored. The Commission E is co-published with Austin-based AMERICAN BOTANICAL COUNCIL. The selection was culled from the 4,000 book and software titles sent to Doody's last year by over 300 health sciences publishers. For IMC: 617-641-2300. For Doody: www.doody.com.

4 WELLCALL TARGETS HI-TECH

More on WELLCALL, featured in a recent I/H Newsfile (#6, March 1999): The firm’s high-tech clients for which it offers individualized health education, counseling and referral services include BioRad Laboratories, Chartered Semi-Conductor, Network Associates, Santa Cruz Operations, Synopsys and Toshiba American Medical Systems. An April 7 release from the firm quotes Network’s benefits manager Linda Greco stating that “the hi-tech environment places constant demands on staff time and creativity to stay ahead of the curve. WellCall offers a convenient service that will help our employees take better care of themselves.” The referrals range from smoking cessation, to condition-specific programs to diverse CAM providers, which the firm can spot-credential on an as needed basis. The firm now serves roughly 100,000 individuals.

5 OXFORD NAMES NEW CAM BUSINESS MANAGER

OXFORD HEALTH PLANS has named Karen Muehlberg as the new business manager for alternative medicine. Muehlberg, who began working on CAM products at Oxford IN 1995 with the HMO’s former manager for alternative medicine, HASSAN RIFAAT, MD (now with ALIGNIS), told THE INTEGRATOR that she is examining the HMO’s options for moving forward. The HMO was not yet on the record with any statement on its expected direction.

6 BASTYR FUNCTION HIGHLIGHTS PHYSICIAN OF THE FUTURE MODELS

BASTYR UNIVERSITY is hosting a roundtable on “Designing the Doctor of the Future” at the INTERNATIONAL CONGRESS ON INTEGRATIVE MEDICINE (Seattle, April 30-May 2). The panel will bring together TRACY GAUDET, MD, U ARIZONA PROGRAM IN INTEGRATIVE MEDICINE, JOE PIZZORNO, ND, Bastyr president, JAMES GORDON, MD, GEORGETOWN U SCHOOL OF MEDICINE, plus SUSAN HAEGER, CITIZENS FOR HEALTH and BETH CLAY, with the US HOUSE COMMITTEE ON GOVERNMENTAL OVERSIGHT AND REFORM. The panel will be moderated by INTEGRATOR publisher John Weeks. Questions will then be taken from selected media. This is the second in Bastyr’s “Health Care Policy Roundtable Series,” organized for Bastyr by DAVID MATTESON. Bastyr is hosting the implementation track in integrative medicine at the ICIM. The event will be held on May 1, from 7:30 PM to 9:00 PM.

End

INDUSTRY/HEALTH News File #11, April 9, 1999

__________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #12, APRIL 16, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Business Developments (HealthNotes, Group Health, CommonWell, plus ...
1 BUSINESS DEVELOPMENTS

HEALTHNOTES INC.: MAJOR POSITION IN INTERNET CONTENT DELIVERY

HEALTHNOTES, INC. of Portland, Oregon, is successfully taking a huge stake as an information provider on herbs, vitamins and supplements on both the internet and in the nation’s drugstores, supermarkets and natural foods stores, THE INTEGRATOR has learned. CHERYL BOTTGER, HealthNotes’ director of marketing and new product development, notes that the firm’s content has been licensed to 10 of the nation’s leading “retail and information” internet web sites which are competing to become the “Amazon.com” of supplement sales. Among those licensing the content are: DRUGSTORE.COM, HEALTHSHOPPE.COM, VITAMINBUZZ.COM (vitaminshop), MOTHERNATURE.COM and GNC.COM (General Nutrition Centers). Bottger notes that many of the firms originally planned to develop content on their own but then chose to license it once they understood the magnitude of the undertaking. The license fee is $150,000 which, Bottger notes, is contractually protected; “If we lower it for anyone, we have to give them rebates.” The content is updated twice a year, Bottger notes, a time-frame which she says is limited only by “the need to press the CDs.” The firm is developing plans for updating the information online. The firm’s kiosk-delivered information services are also expanding, with some 6,000 licensed sites nationally. Bottger notes that BERGEN BRUNSWICK, the nation’s second largest pharmaceutical distributor, is promoting the HealthNotes kiosks with clients for which the firm is assisting in establishing and managing retail sales of supplements. 503-234-4092

COMMONWELL IN SC: PARTNERS HEALTH PLAN

COMMONWELL, the Boston-based CAM services organization, has inked its first significant out-of-region contract with South Carolina-based PARTNERS HEALTH PLAN. The HMO’s 180,000 members will utilize Commonwell’s automated, pre-recorded CAM information line, The Natural Connection. CommonWell is a part of N-CAM, the national “network of networks.” 617-566-9355

ACCESS HEALTH ALTERNATIVES (HEALTHMAX): CENTRAL FLORIDA

ACCESS HEALTH, the mid-Florida network of chiropractic clinics led by DAN PAVLIK, DC, has acquired four affiliated chiropractic clinics. The firm has a network of 125 other clinics which, according to a March 31 Business Wire release, has “exclusive contracts with such HMOs as PruCare, Cigna and Health Options,” and is the “largest chiropractic group practice in Central Florida.” All of the clinics “subscribe to (the HEALTHMAX) system,” the firm’s financial advisor DAVID DISNER told THE INTEGRATOR. Disner says the publicly traded firm plans to go
national and to build a diversified network: “The idea is to expand.” The firm links chiropractic services to sales of nutritional products. Revenues in 1998 totaled $1.6 million. 800-757-2440

BODYGUARD ACCESS CARD: ACU PLUS, FAMILY CHIRO AMERICA

The EDWARD PRICE COMPANY in Daly City, California, has rolled out a new, Spanish language version of its discount healthcare BodyGuard card. The firm’s seven networks include 78,000 pharmacies and providers nationwide, according to an April 9 release from the firm. The networks range from AMERICAN DENTAL NETWORK and PCS (prescription drugs) for conventional care to CAM networks: ACUPUNCTURE PLUS and FAMILY CHIROPRACTIC AMERICA. Providers offer card holders 17-25% discounts. The card retails for $69 for an individual and $99 for a family. An English language version was offered in January of this year. 650-991-4500

CAM INCLUSION BY INSURERS IN IDAHO

CAM integration consultant LEAH KLIGER of THE LAKES GROUP near Seattle, Washington, recently explored CAM coverage by Idaho’s leading insurers on behalf of a hospital client in Moscow, Idaho. Kliger reports to THE INTEGRATOR the following summary from four leading providers among the 15 plans which the Idaho Department of Insurance informed her are currently writing group coverage: ANTHEM HEALTH AND LIFE INSURANCE, BLUE CROSS OF IDAHO, REGENE BLUE SHIELD OF IDAHO and GROUP HEALTH NORTHWEST. Some provide managed care type plans. Chiropractic care is provided as a covered benefit, sometimes with limits per diem and generally with a yearly maximum between $500-$800. Wellness, Diabetes education and stop smoking “are usually covered,” according to Kliger. She found that the state’s lack of licensing for massage therapists, acupuncturists, or naturopathic physicians to be “problematic” for some of the insurers. Both Anthem and the Blue Cross organization noted a willingness to write coverage for at least some services provided by these CAM provider types if a self-insured party was interested. Additional premiums would be required. Anthem currently covers massage, on referral, in some of its plans. Some Anthem plans include some massage if deemed medically necessary, and with a referral. The Regence spokesperson contacted by Kliger expressed a more conservative position in which benefits would not expand to cover non-licensed providers. Group Health Northwest noted that some options for CAM coverage exist for Idaho residents who work in Washington and for “visiting members” such as students covered by Group Health policies. Here, coverage could be shaped by the state’s “every category of provider” mandate. Kliger noted that even in these conditions, approved providers of acupuncture and naturopathy tended to be in Spokane, with “a few approved massage therapists in parts of northern Idaho.” For Kliger: 425-334-5926.

GROUP HEALTH COOPERATIVE: UPDATE

LAURA PATTON, MD, clinical director for alternative medicine for GROUP HEALTH COOPERATIVE OF PUGET SOUND told THE INTEGRATOR that the HMO is taking some new steps in the CAM arena. Patton notes that preliminary data on a Group Health study “suggests that massage outperforms acupuncture” for lowback pain, which has stimulated the HMO to explore “better integration of massage into PT” (physical therapy). She notes with pleasure that the firm now has a half-time person “with access to our data warehouse” who is exploring claims-based strategies for closing in on information which will shed light on whether CAM is an add-on, replacement or reduction to other costs. The HMO is also beginning to explore including botanicals in its for-profit “Take Care” retail outlets. Some vitamins are already available via private label, according to CHARLES SALMON of GROUP HEALTH BUSINESSES. The HMO’s CAM benefit, featured in the October 1996 issue of THE INTEGRATOR, is managed through contracts with AMERICAN WHOLEHEALTH NETWORKS. 206-442-4044.
MEDIA SHORTS

Stimulated by a March 17 PR NEWSWIRE account of THE INTEGRATOR CAM Network Executive Survey, MEDICAL ECONOMICS is developing an article on CAM networks. The draft includes interviews with GEORGE DEVRIES, founder of AMERICAN SPECIALTY HEALTH PLANS, ALAN KITTNER with CONSENSUS HEALTHCARE, INTEGRATOR advisor LAURA PATTON, MD (see above) as well as INTEGRATOR data. While the information will not be new to INTEGRATOR readers, its coverage in this media is significant ... More from Medical Economics: PATIENT CARE magazine and its associated patientcareonline web site are soon to feature a "CAM Spotlight" according to a March 25 release from the New Jersey firm ...

The coup by TYLER ENCAPSULATIONS in partnering as the natural products supplier with AMERINET, a major group purchasing organization for hospitals, physicians and health systems, was written up in DRUG TOPICS, March 15, 1999, page 59 ... An article by DANA ULLMAN (Homeopathic Educational Services, Berkeley, CA) in The Journal of Alternative and Complementary Therapies entitled “Homeopathy and Managed Care: Manageable or UnManageable?” provides a useful overview of this modality which, as BRIAN BERMAN, MD, has pointed out, has more controlled research in its support but less coverage. The upcoming MAY 1999 issue of THE INTEGRATOR notes that a surprisingly high percentage of employers believe they are currently covering it, and 11% of seniors in a CALIFORNIA BLUE SHIELD Medicare risk product would like to have homeopathy covered (for Ullman: 510-649-0294) ...

The March 1999 issue of CLAIMS magazine includes a feature on CAM in managed care by INTEGRATOR ADVISOR JERRY MCANDREWS, DC, and LOUIS SPORTELLI, DC (800-550-0540), president of NATIONAL CHIROPRACTIC MUTUAL INSURANCE COMPANY. The authors take a strong line for managed care to reform itself around a new, CAM-friendly “care plan” which would no longer be based on “the singular silos of costs” but instead in a system which notes that services are “not delivered in a vacuum” ... The NATIONAL MULTIPLE SCLEROSIS SOCIETY (212-988-3240) published information on a recent study (569 individuals, 71% response rate) which found that one-third of people with MS had “visited an unconventional therapy practitioner” (note: this is not use of CAM, but seeing a practitioner). Those using CAM tended also to have at least one additional complication and use conventional outpatient services more frequently. Massage was the top choice of treatment ....

______________________________

CONFERENCE

The DRUG INFORMATION ASSOCIATION’s (DIA) 35th Annual Meeting will again have a track on Emerging and re-Emerging Therapeutics. The 14-session tracks explore the regulatory, scientific and business issues surrounding the use of botanicals and nutraceuticals in world medicine and in the United States. Top presenters. June 27-July 1, 1999. Baltimore. $700. 215-628-2288

End
INDUSTRY/HEALTH News File #12, April 16, 1999

______________________________

INDUSTRY/HEALTH SUBSCRIBER

NEWS FILE #13, APRIL 23, 1999

A Service for the INDUSTRY/HEALTH Subscriber
North Carolina Blues Link with Consensus for Discount
Physicians Health Services and Landmark in AlternaCare
Holisticos Heads into Bankruptcy
Integrative Clinics Offer Consultancies
WA NDs in Historic Loan Payback Program
White House CAM Commission Update

THE INTEGRATOR
for the Business of Alternative Medicine
© Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

NOTE TO I/H SUBSCRIBERS
As always, your feedback is welcome. -- John Weeks, Publisher-Editor

NORTH CAROLINA BLUES AND CONSENSUS IN DISCOUNT PRODUCT

In a major PR display which began on April 20, BLUE CROSS BLUE SHIELD OF NORTH CAROLINA kicked off an affinity/discount product through a partnership with CONSENSUS HEALTHCARE. The reports put the discounts as 15-25%. Regional and industry media have contacted THE INTEGRATOR on the story, looking at whether such products are a trend. CAM coverage in NC is a challenge, given the lack of any licensed CAM providers beyond chiropractors. Dr. Robert Harris, CMO for the plan is quoted as saying "we're proud to give consumers options with Alt Med Blue." BCBSNC is the state’s largest insurers, with 1.8 million members. The PR Newswire release noted that practitioners "will be screened" by Consensus, which made a name for itself through a similar product which it has managed for CALIFORNIA BLUE SHIELD. This is the first significant East Coast business for Consensus. 888-336-2583
PHYSICIANS HEALTH SERVICES/LANDMARK IN ALTERNACARE PRODUCT

PHYSICIANS HEALTH SERVICES and LANDMARK HEALTHCARE have partnered for a CAM benefit entitled PHS ALTERNACARE: HOLISTIC HEALTH CARE which the HMO is offering to all its members. Features are:

Covered services: DC, LAc
LAc services: Needles, electroacup., cupping moxibustion
DC services: Exam, manipulation, x-ray, hot packs, electrical stimulation
Discount services: massage, nutritional supplements
Massage: Via director of providers
Supplements: Via Landmark’s relationship with Leiner Health Products
Access: “Some plans may require referral for some services”
Eligibility: All new groups and renewing as of 1/1/99
Benefit levels: “May vary based on plan”
PMPM, Co-Pay, Basic Benefit Limits: Not yet available.
PHS, which has a total of 1-million members, is a Foundation Health Systems company.

PHS had developed a benefit in 1995-1996, under then medical director Stan Stier, MD.

HOLISTICOS HEADS INTO BANKRUPTCY

HOLISTICOS, the Georgia-based network of CAM providers (Holisticare) and clinics (EverWell) has terminated operations and are in bankruptcy proceedings. Sources close to the operation state that the firm was not able to develop enough business to sustain its ambitious clinical, network and phone-centered care management strategies. The owners are in discussion with AMERICAN WHOLEHEALTH NETWORKS (AWHN) on purchase of the network business. Former president BILL WALLACE was working in the AWHN booth at the April National Managed Health Care Congress and may take a leadership position with AWHN. ACCESS HEALTH, a minority owner, has reportedly retained rights to the branch-chain algorithms developed for that demand management firm’s nurse lines. MICHAEL ROSS, MD, the former medical director who had held a similar position with COMMONWELL, is no longer with either firm. Holisticos was one of the nation’s pre-eminent venture-backed CAM initiatives (see April, June and July, 1998, issues, plus CAM Network CEO survey). This failure came despite the firm’s success in inking a deal with BLUECROSS BLUESHIELD OF GEORGIA for its affinity product, and to supply product for the BLUE CROSS OF CALIFORNIA affinity product. More later on this.

INTEGRATIVE CLINICS OFFER CONSULTANCIES TO NEWCOMERS

One outgrowth of the movement to create integrative medicine clinics requests for information to the more established clinics from the newcomers. Requests to some have increased to the point that, rather than giving away information, formal consultancies have been established. The following is an overview of some of the services and fees. All of the clinics except the King County Natural Medicine Clinic have been profiled in the INTEGRATIVE CLINIC BENCHMARKING SURVEY.

Name: East-West Health Centers
Contact: Phil Herre
Phone: 303-694-5757
Services: Business plan, feasibility, turn-around.
WASHINGTON STATE IN UNIQUE LOAN PAYBACK PROGRAM FOR NDS

The Washington State Health Professional Loan Repayment and Scholarship Program has recently approved its first repayment award to a naturopathic physician. The recipient, CINDY BREED, ND, is a staff practitioner at the widely-reported King County Natural Medicine Clinic, a part of Community Health Centers of King County. KATHY MCVAY, program administrator, explained that the inclusion of naturopathic physicians in the program was based on a 1994 policy of the state’s Health Personnel Resources Plan under which naturopathic physicians were included as primary care providers. Under the repayment program, Breed and other naturopathic physicians are eligible for up to $25,000 a year, for three years, of loan payback, if they are serving in a “rural or underserved urban” environment. A similar program is available to the state’s licensed, European-style, direct-entry midwives. The midwives also have access to scholarships, a number of which have been granted. Bastyr University, an educational center which trains naturopathic physicians and licensed midwives, is heading up an outreach program to help generate demand for these providers. The program, called “Health Shortage Areas: Integrated Care Options,” is headed by Bastyr’s associate dean for naturopathic medicine PAMELA SNIDER, ND. The advisory group to the outreach campaign includes both McVay and RICHARD LYONS, MD, Regional Health Administrator for US Public Health Service, Region X. For McVay: 360-753-7844. For Snider: 425-602-3143.

WHITE HOUSE CAM COMMISSION

By late April, a delayed White House Commission on complementary and alternative medicine was gaining steam. The national commission was funded through a $1-million 1998 appropriation engineered by US Senators TOM HARKIN (D-IA), ARLEN SPECTOR (R-PA) and
TOM DASCHLE (D-SD) is expected to offer the first significant analysis of the variety of ways public policy may assist or hinder creation of appropriate CAM integration.

End
INDUSTRY/HEALTH News File #13, April 23, 1999

RIBER

News File #14, May 3, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 CORRECTION plus more, from North Carolina Consensus/BCBSNC CommonWell/Partners National Health Plans
2 ASHP Update
3 BCBS Massachusetts and Landmark
4 Conference into (ICIM, Cancer Care, Memorial Hermann)
5 Publisher Info (IMC, IMA)

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

CORRECTION: MORE PROVIDERS THAN CHIROPRACTORS LICENSED IN NORTH CAROLINA

A correction to the story below on the new BCBSNC affinity product sent out. Wires got crossed here: North Carolina, which regulates acupuncture and massage (since last December) became South Carolina, which regulates neither. The BCBSNC story from Newsfile #13 should have read as follows:

NORTH CAROLINA BLUES AND CONSENSUS IN DISCOUNT PRODUCT

In a major PR display which began on April 20, BLUE CROSS BLUE SHIELD OF NORTH CAROLINA kicked off an affinity/discount product through a partnership with CONSENSUS HEALTHCARE. The reports put the discounts as 15-25%. Regional and industry media have contacted THE INTEGRATOR on the story, looking at whether such products are a trend. Robert Harris, CMO for the plan, is quoted as saying "we're proud to give consumers options with Alt Med Blue." BCBSNC is the state’s largest insurer, with 1.8 million members. The PR Newswire release noted that practitioners “will be screened” by Consensus, which made a name for itself through a similar product which it has managed for CALIFORNIA BLUE SHIELD. This is the first significant East Coast business for Consensus. 888-336-2583
HERE ARE TWO FOLLOW-UPS ON NORTH CAROLINA AND CAM

A CONSENSUS & BCBSNC

THE INTEGRATOR reached BCBSNC director of public relations LYNNE GARRISON after I/H #14 was mailed. Garrison said of the announcement: “We’re seeing a great amount of interest. It’s really hit a nerve.” She noted that the decision to start the program grew out of the firm’s own focus groups. The CAM development is the first announcement “in a whole range of the next generation of products” that the firm “will unveil in early 2000,” states Garrison. As a group these new products will “be typified by: 1) more flexibility for employers; 2) modular in design; and 3) more flexibility for employees. When asked about any presently covered CAM services, Garrison stated: “We have some but they are very limited and covered only in certain circumstances, depending on the situation and would require a referral.” She looks at this program as a means of giving 1 million people access to CAM services. (The program is not being offered at this time to those enrolled in the state and federal employee health programs which are covered by BCBSNC.) The Consensus program begins August 1. Consensus is currently developing the network. 919-765-7256 for Garrison. PR for Consensus: Joy Scott, Scott Marketing and Public Relations: 818-610-0270

B MORE ON PARTNERS/COMMONWELL

News on the BCBSNC announcement also stimulated some reporters to look at another North Carolina CAM development -- the PARTNERS NATIONAL HEALTH PLANS OF NORTH CAROLINA and COMMONWELL partnership through which the HMO’s members will utilize CommonWell’s automated, pre-recorded CAM information line. STUART VEACH, Partners vice president, told THE INTEGRATOR that the HMO is “excited” about the service which they have advertised to members through pamphlets that give out Commonwell’s toll free number. Veach says the firm has 250,000 HMO members, and another 100,000 it serves as a third party administrator (TPA). When asked about any CAM covered by the firm, Veach responded: “We cover acupuncture on a case-by-case basis. The stress management and that sort of thing is available on a case by case basis through our behavior health vendor.” He adds that they also “sell chiropractic as a separate rider” but it can also be made available on a case to case basis.
For Veach: 336-659-2505; for CommonWell: 617-566-9355

NOTE: The comments on present coverage for these two firms exemplify the problems with the gross data in the Landmark II, InterStudy and even Mercer/Foster-Higgins surveys on CAM coverage. Each of these plans could have responded “yes” to a number of CAM services; yet it is clear from the statements that most, if not all, are but rarely covered. -- John Weeks

2 ASHP UPDATE

As noted in the April INTEGRATOR, AMERICAN SPECIALTY HEALTH PLANS (ASHP) has arrived at an arrangement with its former PARTNER, AMERICAN CHIROPRACTIC NETWORK (ACN) under which ASHP can leave its historic six state area of activity and expand nationally. Under the agreement, ACN will also be allowed to take business inside ASHP’s former territory. Outlines of the firm’s aggressive expansion plans were laid out for THE INTEGRATOR by CEO and founder GEORGE DEVRIES and vice president ERIC LEAVER at a breakfast meeting at the NATIONAL MANAGED HEALTH CARE CONGRESS (NMHCC) in Atlanta, where ASHP sponsored the alternative medicine track. While details were not disclosed, DeVries stated that the long-negotiated arrangement included a cash buyout in which ACN was left with a minority stake but no decision-making authority. The ASHP business plan includes establishing offices in both Chicago and New York, in order to create regional hubs for business expansion and management. DeVries expects expansion of its networks and its business to be rapid,
particularly because “we’re already doing business in 36 states through several national agreements we have been administering since 1992.” ASHP’S move is being felt in diverse markets, industry sources have told THE INTEGRATOR.

According to product development VP Leaver, the company is actively engaged across the nation in discussion with health plans. NMHCC attendees will have been aware of the $80-million, 300+ employee ASHP’s national intention. (See CAM Network Executive Survey, January 1999.) A huge ASHP booth promoted the family of inter-related businesses: American Specialty Health Plans, American Specialty Health Networks, American Specialty Health and Wellness, The CAM Conference Resource Center, buyhealthy.com. For instance, the firm's new CAM Conferences affiliate, will expand ASHP’s visibility as a sponsor or co-sponsor of significant educational conferences. Among these will be NMHCC West, scheduled for Los Angeles October 18-20. The firm has also chosen to sponsor a reception at the CAMBRIDGE HEALTH RESOURCES-SOLUTIONS IN INTEGRATIVE MEDICINE workshop in San Francisco June 3-4. 800-848-3555

3 MASSACHUSETTS BLUES LINK WITH LANDMARK FOR AFFINITY PRODUCT

The continuing rush of BLUES plans toward discount “affinity” CAM products continues with the May 3 announcement by BLUE CROSS BLUE SHIELD OF MASSACHUSETTS. The firm’s new “Naturally Healthy Rewards” program involves a partnership with Sacramento-based LANDMARK HEALTCARE. The product will be delivered through a credentialed, statewide network of acupuncturists, massage therapists and registered dietitians. The decision to work with these three categories was based in a BCBSMA survey of is membership in which “respondents said they used massage, acupuncture and nutrition counseling more than other CAM services.” [Note: No mention was made of chiropractic in this release.] BCBSMA is the state’s largest insurer, with 1.6 million members, and $64 million of earnings from $2 billion in revenues in 1998. A release from the firm noted that Landmark has “4-million members nationwide.” At BCBSMA: Susan Leahy (617-832-4823), and for Landmark: Jana Saastad (916-569-3326).

4 CONFERENCES

FOLLOW-UP The INTERNATIONAL CONFERENCE ON INTEGRATIVE MEDICINE (ICIM), held in Seattle April 30-May 2 appears to have been a highly acclaimed but under attended event. The organizer, BRUCE TAKATA, with BASTYR UNIVERSITY as a “content sponsor,” put together an exceptional mix of speakers an panels. Takata hopes to draw 3,000, anticipated at least 1,000, but only drew 400-500. The professional conference ($345) was paired with a consumer oriented expo ($8) which may have helped make up for what most anticipate were significant losses on the professional side. Unlike many commercial CAM conferences which float on non-paid speakers, ICIM was relatively speaker-friendly. The organizers originally viewed this as year one in a plan to establish ICIM as a leading ongoing educational player in the CAM integration movement. integrativemed.com

COMING UP The MEMORIAL HERMANN HEALTH SYSTEM meeting in Texas (June 17-18) is reportedly drawing very nicely, according to lead organizer MARY HELEN MOROSKO. The first major integrative conference in Texas anticipates an attendance in the 500-600 range, based on early sign-ups. Headliners are INTEGRATOR advisor KENNETH R. PELLETIER, PHD, LELAND KAISER, JAMES GORDON, MD, and MARY ANN RICHARDSON, DrPH. Memorial Hermann, an affiliate of Herbert Benson’s MIND-BODY MEDICAL INSTITUTE, is an area leader in CAM integration. DR. RICHARD MATERSON, Hermann’s medical VP is heading up the system’ initiative. The UNIVERSITY OF TEXAS HEALTH SCIENCES CENTER is a co-sponsor of the event. [PHONE PHONE PHONE PHONE]

COMING UP COMPREHENSIVE CANCER CARE II, “Integrating Complementary and Alternative Therapies,” a major conference co-sponsored by the JAMES GORDON, MD’S CENTER FOR MIND-BODY MEDICINE and the U TEXAS-HOUSTON MEDICAL SCHOOL will
be held June 11-13 in Arlington, VA. The first incarnation was held last year, and was a success to all accounts. "Comprehensive" is the operative term. Over 50 presenters and advisors are involved in the program and its development. $425. Pre-conference workshops ($175) are held June 9-10. 301-353-1807

5 PUBLICATIONS & PUBLISHERS

The most recent mailing of the NEWSLETTER PUBLISHER ASSOCIATION (NAP) "Opportunities and Services" publication includes two personnel ads from INTEGRATIVE MEDICINE COMMUNICATION (IMC), “the nation’s premiere complementary and alternative medicine information provider,” according to the ad copy. The positions are marketing director and editor, both of which offer some “equity potential.” The firm describes its “aggressive product development schedule which requires extensive experience in successfully creating and implementing new product launch strategies for a diverse product line that includes newsletter, loose leaf products, books and electronic information resources on the Web.” IMC’s publications include the Integrative Medicine Consult and the Commission E. HR@onemedicine.com

MITCHELL STARGROVE, founder of INTEGRATIVE MEDICAL ARTS GROUP, publisher of the IBIS interactive CAM software package, recently told THE INTEGRATOR that his advisory board development has drawn a wide ranging group of top integrative medical practitioners nationally. Stargrove anticipates announcing the group within the next two weeks. 503-526-1972

End
INDUSTRY/HEALTH News File #14, May 3, 1999

---------------------

INDUSTRY/HEALTH SUBSCRIBER

News File #15, May 7, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Profile: Memorial Hermann, plus Houston CAM Conference
2 Business Developments (Triad/ECI, Kaiser Hawaii/ASHP)
3 Providers (Mass Alliance, NIH/AANP)
4 Comment: Marcia Angell -- Polarizing Force

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

---------------------

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

---------------------

1 MEMORIAL HERMANN HEALTHCARE SYSTEM CLARIFIES CAM STRATEGY
The most significant CAM conference ever to be held in the South will take place on June 17-18 when between 500-600 are expected to gather in Houston for a conference spearheaded by MEMORIAL HERMANN HEALTHCARE SYSTEM. The conference is part of a multi-faceted CAM strategy at Memorial, a 12 hospital system with numerous other facilities (rehab, home healthcare, assisted living, etc.) and headed by RICHARD MATERSON, MD, and managed in part by MARY HELEN MOROSKO. Materson is a former NIH researcher who grew supportive toward CAM through observing successes of acupuncture with pain, trigger point for myofascial pain and a “casual watching” of the developing nutraceutical industry. One aspect of the initiative is education via conferences, “facilitating communications between consumers and physicians,” website delivered information (“we have a lot of hits from both professional and lay users”), and local education through various healing healthcare fairs. Memorial now has an advisory group on CAM at each hospital, according to Materson. Another component is expansion of the mind-body programs developed in affiliation with HERBERT BENSON’S MIND-BODY MEDICAL INSTITUTE at HARVARD. Memorial, which was an early affiliate, has found the programs “good for the patients, a clinical success but not a business success.” They will establish a second branch to deliver services “at the “Institute of Religion” which he says is “at the epicenter of the medical center.” In addition, a new wellness center, scheduled to open October 1, will include massage, biofeedback, mind-body, acupuncture and aromatherapy. Chiropractic is not included “because many good chiropractors are available nearby,” notes Materson, and Memorial will make referrals. A final unusual component is that, through a memorandum of understanding with the GREATER HOUSTON YMCA, Memorial will help “roll out” mind-body, sports-medicine and various alternatives into the YMCA’s onsite service delivery. For Memorial:


2 BUSINESS DEVELOPMENTS

TRIAD HEALTHCARE PARTNERS WITH ELDORADO FOR SOFTWARE

TRIAD HEALTHCARE, INC. and ELDORADO COMPUTING, INC. (ECI) announced on May 3 that Triad selected ECI as its software supplier. The selection is especially important as Triad, a member of the NCMIC GROUP, puts significant stake in its data management as a part of the its business strategy. The firm is included in the CAM Network Executive Survey. The release notes that Triad believes the “technology will help immeasurably as Triad has made application for URAC accreditation,’ according the firm’s COO, MARINO PASSERO. The release also states that the network “serves the specialized chiropractic needs of over 2 million members.” For Triad: 800-550-0540; for ECI (602-604-3100).

ASHP LANDS KAISER-HAWAII PARTNERSHIP FOR CAM DISCOUNT/RIDER

KAISER PERMANENTE HAWAII has announced a letter of intent with San Diego-based AMERICAN SPECIALTY HEALTH PLANS (ASHP) through which the firm’s 211,000 members can receive various services and products. Characteristics are of the benefit noted In the May 4 release from Kaiser are listed below. Kaiser’s product development director CAROL TAKETA states: “Our hope is that this program will give our members guidance in selecting alternative care providers who have passed a standardized credentialing process, and give them a discount on the cost of services.”
Focus of product: Discounted access
Provider types: Chiropractors, acupuncturists, massage therapists
Products: Herbal and vitamin therapies (via "certain Kaiser pharmacies" or via ASHP’s toll-free and internet service buyhealthy.com)
Referral: Self
Network: 100 providers expected (Oahu, Maui, Hawaii, Kauai)
Rider: Available for a single discipline, or a combination; cost not set
At risk: Not stated
Co-payment on Rider Products: “Likely be $10”

This is the first announcement of a significant CAM venture by a large Hawaii plan. ASHP is developing its provider network through an arrangement with PRACTICARE HAWAII. The state’s leader, the HMSA Blues plan, has stated that a product is in development but none is yet announced. ASHP and LANDMARK HEALTHCARE have been known to be competing for that business. On unusual characteristic: The state’s licensed naturopathic physicians are not included in the network. They are included in virtually all CAM insurance initiatives in the 11 states in which they are licensed. They are part of KAISER’S NORTHWEST PERMANENTE venture with COMPLEMENTARY HEALTHCARE PLANS. For Kaiser: 808-983-4983; for ASHP: Monica Wiley (619-686-5990)

3 PROVIDERS

MASSACHUSETTS: THE INTEGRATIVE MEDICINE ALLIANCE FORMED

An alliance of individuals involved with integrative medicine initiatives has formed in the greater Boston area. The draft mission statement reads: “To promote the vision, development an practice of integrative medicine through bridge-building among the healing professions; through research, development and education; and through ongoing integrative medical practice.” Among the leading organizers are KARL BERGER, a body worker with BETH-ISRAEL DEACONNESS and HARVARD VANGUARD, MERYL BRALOWER, an advisor to WELLSPACE and ROBB SCHOLTEN, a key associate of DAVID EISENBERG, MD, at HARVARD’s CAM center. Top six “teams” for anticipated activity are: Bridge-Building, Research, Policy Development, Education, Living the Vision and Organizational Development. For Berger; 617-625-0903; Bralower: 617-236-1227

NIH AND AANP IN HISTORIC CO-SPONSORSHIP

In yet another sign of growing CAM acceptance, the Seattle-based AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS is co-sponsoring, with the NATIONAL INSTITUTES OF HEALTH, a three day meeting entitled "Complementary and Alternative Medicine in Chronic Liver Disease.” Three naturopathic physicians (ANNA MCINTOSH, PHD, ND (NATIONAL COLLEGE OF NATUROPATHIC MEDICINE), EDWARD ALSTADT, RPH, ND (ECLECTIC INSTITUTE) and ANDREW RUBMAN, ND (UNIVERSITY OF BRIDGEPORT) are among the 25+ headliner speakers representing government, research, botanical and pharmaceutical interests (DAVID EISENBERG, MD, INTEGRATOR ADVISOR TED KAPTCHUK, OMD, WAYNE JONAS, MD, FREDDIE HOFFMAN, SRINI SRINIVASAN, etc.). Contact: AANP (206-298-0126) or Tracy Morgan, Conference manager (301-493-9674, morgan@computercraft-usa.com).
The following is offered to I/H readers as a heads-up: Amidst the efforts of many to diminish polarization between CAM and the mainstream, the voice of MARCIA ANGELL, MD, FACP, editor of the NEW ENGLAND JOURNAL OF MEDICINE is increasingly staking out a polarizing ground. Angell first registered her views in a widely noted September 18 NEJM editorial when the journal presented a series of antagonistic articles. She has since keynoted the annual conference of the SCIENTIFIC REVIEW OF ALTERNATIVE MEDICINE, a journal developed by long-time CAM antagonists. Angell was also a featured speaker at the “Future Makers Lecture Series” sponsored by Atlanta’s EMORY UNIVERSITY, on March 10. Among her comments: “What alternative medicine is, is that it’s not scientific.” One “uniting principle” is a “common ideology which disparages scientific medicine.” Angell repeated “disparages science” more than once. Her definition: “Alternative medicine is a collection of disparate theories and practices for which there is little or no scientific evidence, characterized by an ideology that celebrates natural traditions, particularly exotic traditions, and disparages science.” She states that one “tenet” is that “all systems of healing from all continents and all times, except of course 20th century American (traditions) are equally deserving of serious attention.” In utter disregard for the accumulated evidence from many sources, Angell characterizes CAM patients as “worried well” having “trivial illness.” There are of course some people who meet her description. They are neither the high percent of consumers who sue them for specific conditions or the providers who are eager to partner with the NIH (such as the national naturopathic physician organization (see above) or national acupuncture associations which supported the 1997 Consensus Conference on Acupuncture). Very unfortunate that reason appears absent, on this topic, at the head of the NEJM.

End
INDUSTRY/HEALTH News File #15, May 7, 1999

---------------

INDUSTRY/HEALTH SUBSCRIBER

News File #16, May 14, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Business Developments (IMA, Prism Network, Health Arts/Colville)
2 Conferences (AAHP, Canyon Ranch/Weil, ICIM, plus …)
3 CAM Professions: AAOM gains, NDs Hit in Colorado

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

---------------

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

---------------

1 BUSINESS DEVELOPMENTS

INTEGRATIVE MEDICAL ARTS ANNOUNCES TOP FLIGHT MEDICAL ADVISORY BOARD
Beaverton, Oregon-based INTEGRATIVE MEDICAL ARTS, (IMA) publishers of IBIS, the Integrative Information System, announced on May 3 that a large and diverse panel of CAM leaders have chosen to join the firm's medical advisory board. Among the 38 members are INTEGRATOR advisors SAM BENJAMIN, MD, and TED KAPTCHUK, OMD, ELLIOT GREENE, MA, and CHRIS FOLEY, MD. Other well-known professionals include LELAND KAISER, PHD, nutritional medicine pioneer JONATHAN WRIGHT, MD, executive director of the AMERICAN ASSOCIATION OF ORIENTAL MEDICINE DAVID MOLONY, LAc, HARRIET BEINFIELD, LAc, former head of the NIH OAM JOSEPH JACOBS, MD, CANDACE PERT, PHD, DAVID S. RILEY, MD, as well as leading naturopathic and acupuncture educators. The chair of the board is IMA founder MITCHELL STARGROVE, ND, LAc, whose work to develop IBIS dates back to the mid 1980s. The firm, which is developing its product lines and its infrastructure, has an infusion of investment capital last year which allowed the firm to hire a national VP for sales JON DARSEE. Darsee brought with him years of working in mainstream medical sales. The firm is re-positioning the IBIS product in the marketplace through a substantial lowering of its former pricetag of $695. IMA also manages a number of websites. integrativemedicalarts.com 503-526-1972

10,000 SQ FT INTEGRATIVE CLINIC MOVES INTO THE BLACK

LON HATFIELD, MD, founder of the HEALTH ARTS CENTER in Colville, Washington, has shared with THE INTEGRATOR that his 10,000 square foot integrative clinic has broken even in its 12 month out of the gate. The clinic, in the Northeast corner of the state, has 13 practitioners, including MD, DO, ND, TCM, NP, MSW, Massage, yoga, etc. The service mix is just 20% conventional medical services yet only 30% of the clinic’s revenues are self-pay. Monthly operating expenses run $85,000 a month. Traditional indemnity is 65% and HMO 5%. Hatfield is a long-time medical leader in the region, having headed up a 35 practitioner practice in the rural community. Hatfield’s clinic is participating in the INTEGRATIVE CLINIC BENCHMARKING SURVEY. 509-685-2300

NEW YORK’S PRISM NETWORK EXPANDS CAM OFFERINGS

PRISM NETWORK, an upstate New York CAM network which formerly offered mainly chiropractic services is moving further into the CAM field, CEO ARTHUR WINGERTER has informed THE INTEGRATOR. The firm claims 400,000 capitated lives and 1 million total lives for chiropractic care via contracts which include a number of BLUE-BLUE plans in Western, Central and Northeast New York. Wingertner said the firm is moving downstate, through contracts with MAGNACARE, which handles worker’s compensation business for CIGNA and has a significant amount of TPA work. The firm’s recent acupuncture activity is headed up by TOM SMITH, an MD-acupuncturist. The firm’s average number of visits for chiropractic for a given complaint tends to run at the 7-8 level. Wingertner noted that the firm’s surveys of chiropractic users have not found that a significant percentage of users would switch to another plan merely because that plan offered additional CAM services. 716-681-1112

2 CONFERENCES

COMING UP: The annual Institute of the AMERICAN ASSOCIATION OF HEALTH PLANS (AAHP) will include at least one CAM breakout. This has been the pattern the past two years at the most significant annual gathering of the managed care industry association. For the 1999 meeting, AAHP planners chose to link independently submitted proposals by AMERICAN SPECIALTY HEALTH PLANS and by INTEGRATOR publisher JOHN WEEKS for an hour-long session to be held Tuesday afternoon of the June 20-23 meeting.
COMING UP: The experiential gatherings led by ANDREW WEIL, MD, at the CANYON RANCH spa continue to draw significant interest. A June “Integrative Medicine Week” had a sign up of some 140 by mid May, according to sources at Canyon Ranch.

RE: CONFERENCE TURNOUT: Best guesses on the losses suffered by the backers of the INTERNATIONAL CONGRESS ON INTEGRATIVE MEDICINE held in Seattle April 30-May 2 put them at well over $250,000. The question asked by one close observer is whether “the category” of conferences -- “integrative medicine” -- works. This is the fourth in a series (Casa Colina (Los Angeles, 3/98), Liebert (Virginia, 10/98), WorldMed (Los Angeles, 11/98) which appear to have taken significant hits ... Some smaller specialty gatherings don't appear to be faring much better. Turn-out for the integration-focused day of presentations co-sponsored by AMERICAN SPECIALTY HEALTH PLANS and USC on May 1 ran on the low side, at about 30 non-speakers, according to an attendee ... The third annual day-long conference on integrative medicine sponsored by the Twin Cities-based HEALTHEAST health system and scheduled for April 24 was canceled due to a low attendance. Sponsors attributed turnout problems to two significant and well-attended CAM events in the previous two months sponsored by market competitors ...

3 CAM PROFESSIONS

AAOM GAINS MUSCLE

The meet of the AMERICAN ASSOCIATION OF ORIENTAL MEDICINE appears to have marked a significant coming forward for the AAOM and the NATIONAL ACUPUNCTURE ALLIANCE. Professional advancement for licensed acupuncturists at the national level has been marred over the past decade by a split between the two organizations. At the shared-location, April 30-May 3, meetings of both organizations in Florida, the AAOM drew 300 participants, some 3 times the Alliance and significantly higher than past shows. The development could have significance for the role of the licensed acupuncturists in US healthcare. AAOM promotes acupuncturists as practitioners of a broader-than-needles scope of practice and a entry/primary care role in the health system. Time will tell if the AAOM will be able to begin to truly tap the 7500-10,000 licensed acupuncturists as potential members. Figures on membership given to THE INTEGRATOR (Feb-Mar 1999, page 13) showed total members of the AAOM at a rather anemic 675, or 9% of an N of 7500. (The AMA, for reference, tends to run 35%-45% members.)

NATUROPATHIC PHYSICIANS OPPOSED BY MAIL-ORDER AND MLM IN COLORADO:

The Colorado legislature, focus of a significant 1998-1999 licensing push by the COLORADO AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS, has voted down the initiative for this year. The legislative drama is significant for the profession, led nationally by the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS (AANP), which has made expansion of licensing from its present base of 11 states a governmental affairs priority. The AANP-backed standards are those which are used by US health plans, CAM provider networks and health systems for credentialing of naturopathic physicians. The Colorado bill opposed by interests which link mail-based, certificate granting businesses, in particular Alabama's CLAYTON SCHOOL, with various MULTI-LEVEL MARKETERS (MLM). AANP-backed licensing efforts are being attacked by the same elsewhere. The opposition of the correspondence school businesses is obvious. Individuals with “Doctor of Naturopathy” certificates from Clayton and other such businesses can hang up their shingles as naturopathic doctors in most of the 39 states which have no licensing statutes for naturopathic practice. But following passage of licensing and the standards on which licenses are based, these individuals can no longer call themselves “naturopaths”, “naturopathic doctors” or “naturopathic physicians” under AANP-backed legislation. The reasons for the MLM opposition are not so clear. These sales people apparently fear their ability to sell their products if a naturopathic licensing statute is in place. However, AANP-backed
model legislation expressly states that nothing in the statute takes any modalities from any other providers. It is not clear how much MLM sales penetrate the “practices” of individuals who have mail order “ND” certificates. This approach is “a fear-based opposition which is not supported by the evidence” from states where licensing and multi-level marketing co-exist, according to Sheila Quinn, AANP executive director. THE INTEGRATOR has learned that the anti-licensing forces have also opposed AANP-backed licensing or regulatory efforts in MAINE and in CALIFORNIA. According to AANP sources, the Clayton-MLM coalition reportedly spent some $250,000 opposing ND licensing in 1998. The financial backing against licensing is expected to increase this year. For AANP: 206-298-0126

End
INDUSTRY/HEALTH News File #16, May 14, 1999

INDUSTRY/HEALTH SUBSCRIBER
News File #17, May 21, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Business Developments (WellPath/AHO in NC, Pharmanex/UCLA, Research Alliance)
2 Media and Publications (MGMA Journal/CAM, Acupuncture Detox, Philip Lief)
3 CAM Professions (Controversies on TCM Quality, AAMC/AMA)

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

____________________

1 BUSINESS DEVELOPMENTS

NATURAL PRODUCT FIRMS IN RESEARCH ALLIANCE

The CORPORATE ALLIANCE FOR INTEGRATIVE MEDICINE is a new non-profit organization of 10 significant dietary supplement manufacturers and suppliers. The coalition has come together to help found research programs in botanicals and major universities nationwide. A second focus is on funding and developing educational initiatives to inform medical professionals and consumers about the results of research in these areas. The founders, many of whom as long-time competitors, are: BOTANICALS INTERNATIONAL, EAST EARTH HERB, NATROL, NATURE’S HERBS, NATURE’S WAY, NU SKIN, NUTRACEUTICAL INC, MADIS BOTANICALS, REXALL SUNDOWN and WEIDER NUTRITION INTERNATIONAL. [PHONE NEEDED]
PHARMANEX IN LINK TO UCLA SCHOOL OF MEDICINE

PHARMANEX, a subsidiary of NU SKIN ENTERPRISES, has linked with DAVID HEBER, MD, PhD, chief of the division of clinical nutrition at the UCLA SCHOOL OF MEDICINE and director of the CENTER FOR HUMAN NUTRITION for educational services on the nutritional products oriented website. Weber and his staff will respond to the questions of those visiting the website. Phamanex also boasts academic or research relationships with professionals at COLUMBIA UNIVERSITY and SCRIPPS INSTITUTE.

HARTMAN AND ASSOCIATES: CAM PROVIDERS AND NUTRACEUTICAL SALES

A report on "Integrated Health Care and Wellness" from THE HARTMAN GROUP, Bellevue, WA, casts light on a couple of key questions. First, the base of 45,000+ consumer respondents indicated that 3% of total supplement sales were through practitioners, amounting to $360,290,000 out of a total of $10.6 billion in sales. Some 20,956,000 "units" were purchased in this way, at an average price of $17.69. Chinese herbs (19%) and "dietary supplements" (12%) were the top two categories, followed by multi-vitamins (8%) and calcium (45%) and etc. The study suggests that health systems can, conceivably, significantly impact the percent of products its consumers purchase through practitioners. As noted in the MEDICAL GROUP MANAGEMENT Journal article noted above, at least two analysts conclude that up to 50% of clinic profits are in natural products. The study also forecast potential future users of alternatives as follows (present use in study/potential future users, as % of the population): dietary supplements (69%/84%), chiropractic (33%/52%), herbal supplements (24%/53%), relaxation therapy (23%/515), massage therapy (19%/53%), acupuncture (5%/22%), homeopathy (5%/20%) and aromatherapy (4%/23%). Nearly two in five (39%) said they would use CAM more if it was covered through their current health plan. 425-452-0818 hartman-group.com

WELLPATH HMO/ALTERNATIVE HEALTHCARE OPTIONS IN NC AFFINITY PRODUCT

Just a month after insurer BCBS of NORTH CAROLINA announced its new CAM discount partnership with San Francisco-based CONSENSUS HEALTHCARE, WELLPATH SELECT, INC. sent out a May 13 release from its Chapel Hill offices announcing it was the first HMO to offer a similar benefit. WellPath has selected homegrown, Charlotte-based CAM network ALTERNATIVE HEALTHCARE OPTIONS as its network partner. (For info on AHO, see Business Developments, January INTEGRATOR.) Discounts will be at least 20% on alternative provider services and at least 10% on retail and fitness centers. MIKE KING, the firm’s VP for marketing and sales heralded the program. WellPath Select, a subsidiary of WellPath Community Health Plans, is a joint venture formed in 1995 between DUKE UNIVERSITY and NEW YORK LIFE INSURANCE COMPANY. Duke presently owns 75%. Included providers and services are; acupuncture, naturopathy, massage, stores and online shopping. WellPath’s own website takes individuals to AHO’s online shopping. WellPath's SANDY SCHERER told the INTEGRATOR that WellPath will not use AHO networks of physical therapists or chiropractors since WellPath already offers chiropractic as a benefit rider and offers PT “as part of the medical plans” and the HMO is concerned about confusing its membership. For Scherer: 919-419-3806; wellpathchp.com. AHO’s website is aho-network.com.

2 MEDIA AND PUBLICATIONS

MGMA JOURNAL OFFERS MAJOR CAM FEATURE

Two consultants with SUPERIOR CONSULTANTS teamed to write a 10 page feature on CAM for the MEDICAL GROUP MANAGEMENT ASSOCIATION Journal (May-June 1999). The two are
MARK HOFGARD, JD, and MELINDA ZIPPIN, MBA. Hofgard and Zippen have been heading up CAM inside Superior for over two years; Hofgard has presented on CAM for MGMA. The report includes a comparison of CAM provider salaries and encounter fees with those of conventional PCPs: Massage ($25,000-$30,000/$45-$60), acupuncturist ($60,000-$80,000/$40-$60), naturopathic physician ($70,000 to $80,000/$50 to $100); and PCP ($125,000+/+$70-$80). [NOTE: Except in the case of fully mature practices, the CAM figures noted are probably high for most LAc's and NDs. -- JW] The writers echo a prediction in the January INTEGRATOR that a period of some consolidation in the integration industry is underway. They write: "Major players (will) reshape the industry, will search for and acquire the best, most successful models in the market. Where the right model does not exist, they will create one. The lure of large returns on investment through economies of scale and high margins will mean that big money and large health care systems will play a major role." The writers assume, based on extrapolations from Eisenberg's data, that "broadly speaking, between 2% and 5% of all health care expenditures in a given market" are for CAM. One recommended strategy for health systems exploring a move is "acquisition of one or more CAM stars to create instant recognition." They then quickly note that these "stars" -- generally highly respected CAM-oriented MDs -- can be "expensive to acquire." Hofgard and Zippen suggest that 20%-30% of a clinic's revenue stream and 50% of its profits may come from sales of nutritional supplements and herbs. For success in a clinic, they recommend the combination of high product sales plus 100% FFS reimbursement. They believe that "the most critical success factor is over estimating capital requirements." They put at $1-$3 million the capital requirements for a 100-130 visit/day clinic. Another critical success factor is that "someone other than a hospital" manages the facility. The consultants do not focus on whether CAM can bring more effective care, but rather on how CAM can be effective economically for a physician practice or a health system presence in the marketplace. [PHONE]

PHILIP LIEF GROUP EVALUATING CAM PRODUCT LINE

The PHILIP LIEF GROUP, INC., which calls itself "a leading book packager" which "develops quality non-fiction books for New York publishers" is planning to develop a new book series on integrative medicine "for a major national publisher." The firm is looking for an MD who is committed to CAM to serve as a leader in developing the series.

ACUPUNCTURE DETOX NEWSLETTER

An exceptional, focused newsletter on CAM, and particularly acupuncture, in addiction, is "Guidepoints: Acupuncture in Recovery," published by Jay and Mary Renaud. Sample articles are preliminary data on positive outcomes in a Texas setting, a study design in rural Oregon, and a thorough discussion of a published research on ear-acupuncture (auricular acupuncture) which showed insignificant effects in cocaine users. For those looking at addiction, this is a very good tool. Renaud recently took over administration of the 500 member, $70,000 budget National Acupuncture Detoxification Association. Also covered are political developments in individual states and the positioning between these certified, lay specialists and licensed providers. Note: Acu-detox programs have not generally been viewed as part of covered benefits or as discounted services. $180,12 issues X 8 pages/issue. 360-254-0186. acudetox@aol.com.

3 CAM PROFESSIONS

CONTROVERSIAL DATA: PROFESSIONAL STANDARDS AND EFFECTS ON SAFETY

One festering conflict in the growing CAM integration movement revolves around the comparison in the quality of care offer by a CAM professional whose training focuses on a distinct CAM tradition, and a CAM modality offered by a professional whose training is conventional (MD, RN,
On the one side are the distinct CAM professions, whose licensed acupuncturists, naturopathic physicians and chiropractors have received 3-6 years of onsite, professional education during which they are imbued with a natural health philosophy of care. On the other is the system’s pre-disposition toward empowering MD CAM providers, who may be given significant responsibility for CAM integration, and delivery of CAM services, yet have very little education in CAM. What they have is generally not residential, lacks clinical components, is modality rather than philosophy oriented, and is not based on externally verifiable standards. (See April-May 1998 INTEGRATORS on credentialing the CAM MD.) Questions arise: Are these therapies as efficacious when provided by mainstream educated providers who may have added these therapies to their conventional armamentarium without immersing themselves in a school or philosophy and approach? Are they as safe? Are they safer, given the conventional training of the provider? Some early light on the safety questions was reported in a presentation on CAM professional standards at the recent INTERNATIONAL CONFERENCE ON INTEGRATIVE MEDICINE in Seattle. Australian researchers found an average of 2.5 “adverse events per year” for MDs doing traditional Chinese Medicine, versus 1.1 for “non-medical” practitioners. The researchers also found a dose response relationship between adverse event rate, and length of training:

<table>
<thead>
<tr>
<th>Length of Training</th>
<th>Adverse Events/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-12 months</td>
<td>2.07</td>
</tr>
<tr>
<td>37-48 months</td>
<td>1.35</td>
</tr>
<tr>
<td>49-60 months</td>
<td>0.92</td>
</tr>
</tbody>
</table>

The figures are based on: Benoussan and Myers. Toward a Safe Choice: The Practice of Traditional Chinese Medicine in Australia. Faculty of Health, University of Western Sydney. MacArthur. Department of Human Services. 1996. The ICIM presenter, PAMELA SNIDER, ND, associate dean for naturopathic medicine at BASTYR UNIVERSITY, noted that the researchers believed that the therapeutic approach of the providers may influence the outcomes. Of those practitioners who have a “non-primary” use of TCM (average 8.0 months of TCM training), only 24% rely predominantly on a TCM philosophy. On the other hand, 90% of those with primary training in TCM (average 43.6 months of TCM training), and with the lower incidence of problems, focus their practice on a TCM philosophy. For Snider: 425-602-3143.

MEDICAL ACUPUNCTURISTS: LOOKING FOR AMA ACCREDITATION OF CME S

The Fall-Winter 1998-1999 issue of “Medical Acupuncture: A Journal for Physicians by Physicians” of the AMERICAN ACADEMY OF MEDICAL ACUPUNCTURE (AAMC) includes an instructive overview of the AAMC’s educational initiatives. The AAMC, the organization limited to those medical doctors and osteopaths who use acupuncture, is in the process of applying to be a formal, AMERICAN MEDICAL ASSOCIATION approved CME sponsor. The application is possible since the AMA formally certified acupuncture as an “educational subject area” suitable for CME’s in May of 1998. The AMA’s decision followed on the November 1997 NIH Consensus Conference on Acupuncture, and recommended that conference’s conclusions as “useful guidelines for acceptable subject matter.” (See December 1997 INTEGRATOR on the Consensus Conference.) The move by the AMA is an interesting step away from it’s arms length policy regarding many CAM therapies, endorsing education “about” them, but not in “how to” clinically apply them. (See May 1998 issue.) The AMA’s criterion are; 1) validated by basic research, 2) validated by clinical research, 3) taught in medical schools, 4) practiced by significant numbers of physicians. Allen McDaniels, MD, chairs the AAMC’s CME committee. For McDaniels: 310-548-5935.

End

INDUSTRY/HEALTH News File #17, May 21, 1999
1. INDUSTRY/HEALTH BENEFITS

A. BLUES DATA AVAILABLE TO I/H SUBSCRIBERS: LET US KNOW

The June issue of THE INTEGRATOR will include a chart which provides an impressionistic overview of CAM products in 24 Blues plans across the United States. While not a definitive study -- the table is compiled largely from past INTEGRATOR reports and notices -- it will be the most significant published overview of activity by Blues firms to date. The report focuses on activities which extend beyond chiropractic. A follow-up table is planned for the July issue which notes chiropractic activity. The simple chart shows only: 1) name of the plan; 2) time of start of the CAM initiative; 3) network partner, if any; and 4) description/comment on the nature of the product. If you would like a copy of the chart faxed to you, please contact Cheryl at isnh@quidnunc.net or 206-933-7983 with your fax number. This early review is a benefit of your INDUSTRY/HEALTH Subscription.

B. ONE MODEL FOR A COLLABORATIVE AGENDA: MORE ON THE CORPORATE ALLIANCE FOR INTEGRATIVE MEDICINE (CAIM)

Coalition development is of interest given the I/H commitment to helping the emerging CAM industry form or expand a collaborative agenda. The following is an update on the new coalition of 10 nutritional product suppliers reported in I/H Newsfile #17. DEBBIE DESANTIS, secretary for the organization and a vice president with REXALL SUNDOWN told THE INTEGRATOR that the group of long-time competitors have found it “surprisingly easy” to work together as CAIM. Each have contributed like shares to a $500,000 seed fund. The mission is research and education in natural products. The initial academic partner is HARVARD UNIVERSITY with SUSANNE CHURCHILL, PHD, associate dean for research, in the leadership role as chair of the peer review committee. Projects will be selected by a committee of seven, involving Churchill, three Harvard reps and three from the Coalition. The committee is presently reviewing its first batch of proposed projects. Harvard issued an internal call for papers. At present, the group is planning to keep its numbers at 10, “a relatively manageable size,” but may allow others in to increase its funding base in the future. Asked which supplier’s products would be used in a given
research project, DeSantis said that the peer review team would make the decision on product supply. "The research is not to specifically benefit any of the companies," DeSantis clarifies, noting again that the organization is structured as a 501(c)3 charity. For DeSantis: 561-241-9400 x 2905

2 BUSINESS DEVELOPMENTS

HAWAII BLUE-BLUE PLAN TO ANNOUNCE CAM PARTNERS

FRED FORTIN, PHD, vice president for community relations with the state’s dominant health plan, the Blue Cross Blue Shield HAWAII MEDICAL SERVICES ASSOCIATION (ASHP) told THE INTEGRATOR in late May and that HMSA’s long SHORT exploration of CAM will soon lead to formal announcement “that we are going to institute a discount this summer.” The firm will work with both LANDMARK HEALTHCARE and AMERICAN SPECIALTY HEALTH PLAN (ASHP depending, Fortin says, "on who the providers are." ASHP will be offering a chiropractic network, through which HMSA will continue to offer a rider which HMSA “as offered for many years," adds Fortin. The two networks were known to be competing fiercely for the business. Landmark’s CEO MARLA ORTH had been a featured speaker at a conference hosted by HMSA in May of 1998. Fortin makes it clear that he doesn’t believe HMSA’s exploration of CAM will end here: "I want to emphasize that this is an engagement strategy. We need to understand the state of the relationships. We know this does not take us to the best of integrated care that I’d like to see and so many of us would like to see in the future. This is just the first step as far as I can see." JIM WALSH in the firm’s provider contracting is presently heading up HMSA’s work in this arena.

TWO FROM ALTERNARE

A ALTERNARE Purchases HEALTH AND HEALING TRUST

CANDACE SELLERS CAPELLI has told THE INTEGRATOR that The Alternare Group, Portland, Oregon, “is putting the final touches on the press release” to announce that the firm has purchased HEALTH & HEALING TRUST. H&HT is a New Jersey network which was in the process of closing its doors due to lack of significant business. Alternare states that their reason is “primarily because we have received so many inquiries in recent months from carriers and employers in the Northeast.” Alternare found H&HT "a good philosophical match." The firm liked the "immediate East Coast presence," particularly given its ongoing negotiations with ANTHEM BLUE CROSS BLUE SHIELD (which do not yet have an implementation date). Capelli noted that ROBERT DENNIS, MD, founder of H&HT "will be remaining in a consulting role." The East Coast branch will ultimately change its name to Alternare Health Services.

B Alternare Merges with FORMOST

Capelli also confirmed that Alternare has recently merged with a conventional managed care company called ForMost. The firm, also in New Jersey ("coincidentally," Capelli states) They are was one of Alternare’s largest clients for the firm’s medical management division. ForMost has national allopathic physician and hospital networks including a specialized tertiary network, according to Capelli. . The two firms decided to join forces to each strengthen the other’s bi-coastal presence and to gain “the management and financial wherewithal of a combined larger organization.” She states that the merger “hasn’t really affected the alternative medicine programs," adding: "Our medical management services are now part of ForMost, but Alternare remains a distinct company.” Alternare is now under Capelli’s leadership. DALE WHITE, an Alternare principal formerly based in Portland, is now COO of ForMost. 800-320-6444
CAM PROFESSIONS AND ORGANIZATIONS

NATUROPATHIC PHYSICIANS POST GAIN IN CALIFORNIA

By a 5-0 vote, a bill to study naturopathy was passed out of the CALIFORNIA STATE SENATE on May 18. SENATOR MAURICE JOHANNESEN is lead author on the measure. DAVID FIELD, ND, LAC, the president of the CALIFORNIA ASSOCIATION OF NATUROPATHIC PHYSICIANS, and leader of the drive for the bill, and ultimately for licensing, anticipates that a forum will be held by the DEPARTMENT OF CONSUMER AFFAIRS. The AANP is presently working on their submission. SCARLETT MOSS heads up licensing activity at the national level. 206-298-0126.

AD HOC GROUP SEEKS TO PULL LICENSED PROFESSIONS INTO COALITION

A Sunday morning "College Standards and Credentialing" roundtable discussion held on May 2 at the INTERNATIONAL CONFERENCE ON INTEGRATIVE MEDICINE may lead to an ad hoc coalition among licensed CAM professional organizations, according to meeting attendees. Organizers include SHEILA QUINN, who had moderated an ICIM panel entitled “Beyond Data: Integration Models, Standards and Accountability” at the ICIM and PAM SNIDER, ND, associate dean for naturopathic medicine at BASTYR UNIVERSITY. Quinn is executive director of the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS. A part of the work is to develop an organized approach and a shared national agenda relative to the anticipated PRESIDENTIAL COMMISSION on CAM which is in development. One component of the federal legislation which expanded funding and formally created the CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE at the NATIONAL INSTITUTES OF HEALTH specifically requires, for the first time, inclusion of representatives of the distinct professions. Snider was instrumental in placing this language in the law. These first years of the NIH OAM have seen most activity led by conventional providers (MD/DO). Bastyr was the only CAM institution to receive major research funding as a CAM center. However, Bastyr’s grant was not reviewed. While this may have been for a variety of reasons, one reality is that the NIH unconscionably named Stephen Barrett, PhD, long-time "quack-buster" and antagonist to alternative medicine in general and naturopathic medicine in particular, to Bastyr’s review team. 206-298-0126

End
INDUSTRY/HEALTH News File #18, May 28, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #19, June 7, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Special for I/H Subscribers: Report on N-CAM Network
2 Business Developments (Botanical Industry, H&HT AZ/America West, CHR/SIM Conference, Wellington/SIM)
3 Government Action (Maryland/massage)
4 Media (Medical Economics)

THE INTEGRATOR
AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1 SPECIAL REPORT: N-CAM NETWORK OF NETWORKS AVAILABLE TO I/H

THE INTEGRATOR has developed an article on N-CAM, the national "network of networks" which has been created to service affinity products, and eventually covered PPO products, for national accounts. The article includes charts which provide: 1) information (name, executive, base, brief sketch) on the firm's 12 network partners; 2) information on the firm's eight affiliate networks; and 3) information on 10 of the firm's accounts. Due to space limitations in the June INTEGRATOR, the article will not run until the July issue. I/H subscribers interested in previewing this report, please e-mail your request and fax number to Cheryl Robinson at isnh@quidnunc.net.

2 BUSINESS DEVELOPMENTS

AFTER THE FLOOD: SLOWING IN THE BOTANICAL INDUSTRY

PEGGY BREVOORT, president of EAST EARTH HERBS, recently gave a candid report to THE INTEGRATOR on the current state of the botanicals industry. Brevoort, a past-president of the AMERICAN HERBAL PRODUCTS ASSOCIATION and a leading expert on herb industry trends, provides useful insight on surprising struggles in that industry. She notes that recent expanding interest in botanicals created many new additional venues for sales, particularly in mainstream drugstores, supermarkets, internet, and etc. However, many firms "assumed that the buy-in to fill the pipeline -- the initial fill rate for the expanded pipeline -- would be the same as every day sales." Instead, sales, while higher than the past, have settled to a marginal increase rather than a dramatic one. "We're seeing a big time back up on products," says Brevoort. She says that "the first flush of excitement is over." The industry has now hit the public with "major categories" for leading conditions -- colds, depression -- and a huge new market area is not expected to open. Brevoort also states that an unfortunate side-effect some expect of the tremendous growth to fill the pipeline is that some need for product was certainly filled by product of low quality. Therefore many first-timers may have disappointing experiences of herbs. Brevoort states that, while the major pharmaceutical firms which have moved into botanicals are "in it for the long run," some significant but unnamed herb companies are expected to go under amidst mis-calculations and competitive pressures. Brevoort will be presenting a global industry overview at the NUTRACON conference on herbs in Las Vegas on July [  ].

ARIZONA HEALTH AND HEALING TRUST AND AMERICA WEST

HANK MACKEY, of the Arizona's HEALTH AND HEALING TRUST (formerly affiliated with the New Jersey firm purchased by ALTERNARE but now on its own) is managing a discount product for AMERICA WEST. The employer, with 8500 dependents in Phoenix's Maricopa County, has seen 3500 sift to a new MAYO plan, which includes the H&HT offering, from CIGNA. Mackey anticipates the H&HT will be offered with both plan choices next year.
CAMBRIDGE/SOLUTIONS CONFERENCE: MODERATE TO GOOD TURNOUT

The CAMBRIDGEHEALTH RESOURCES/SOLUTIONS IN INTEGRATIVE MEDICINE conference drew 55-60 individuals to San Francisco for a June 3-4 meeting which focused on the practical strategies for implementing integrative medicine clinics. At least 90% were parties which either had clinics in place or in development -- a mixture of stand-alone and health system based. In a related note, ROGER WELLINGTON, former administrator of the CAM program with HITCHCOCK CLINICS has purchased a partnership in SOLUTIONS IN INTEGRATIVE MEDICINE, the CAM consulting and billing firm founded by LINDA BEDELL LOGAN. Wellington, who has presented on CAM issue for NMHCC, has recently been involved with an ad hoc group developed under the NEW HAMPSHIRE HOSPITAL ASSOCIATION which has been exploring CAM. CHR and SIM are considering using the same core of six speakers for an east coast version of the intensive. Interestingly, a despite the location, a vast majority of the attendees were not from the west coast. For CHR: 617-630-1330; for SIM: 800-464-5110

3 GOVERNMENT ACTION

MASSAGE LICENSING CHANGE IN MARYLAND

INTEGRATOR advisor ELLIOT GREENE, LMT, reports the following on a law regulating massage therapy in MARYLAND: “The law, which was originally established in 1996, was revised when the governor signed HB178 on May 13. The new law added a "lower" level of regulation, registration, to the existing level of state certification. State certification will continue to require 60 credit hours of higher education, along with specified hours of massage therapy training and passing an exam. However, registration will not require the 60 hours of higher education. In addition, those registered will have the title “massage practitioner” and will be registered to practice only non-therapeutic massage. Those state certified will continue to have the title massage therapist and be certified to practice massage therapy. Those registered will face three restrictions that do not apply to those who are state certified: 1) those registered may not practice in a medical health care provider's office, hospital, or other health care facility, 2) a licensed or certified health care provider may not refer patients to a person who is not a certified massage therapist, and 3) those registered or a business that employs registered persons may not advertise that the person or business provides health-related therapeutic massage. The action came about after an Assistant State's Attorney ruled that due to a flaw in the original law's wording, it was not a practice act, but a title protection act. A bill was filed to fix the wording and assure the law remained a practice act. However, a local massage school that did not like the higher education requirement in the 1996 law opposed the bill. Eventually a compromise was reached, which is reflected in the new law.” For AMTA: 847-864-0123

4 MEDIA

MEDICAL ECONOMICS IN TWO FEATURES

The May 24 issue of MEDICAL ECONOMICS includes two looks at CAM. One, on CAM networks and noted in an earlier Newsfile, grew out of the INTEGRATOR CAM NETWORK EXECUTIVE SURVEY. It runs in his PCP-oriented publication with the surprising title: “Your newest competitors: Alternative-medicine networks.” Most information will not be new to I/H subscribers. Interviewed are reps of CONSENSUS, ASHP, group health AMERICAN WHOLE HEALTH NETWORKS) LANDMARK and INTEGRATION STRATEGIES FOR NATURAL HEALTHCARE. The second has an equally fear-provoking headline: “Will alternative medicine referrals get you sued?” Both articles were written by the magazine’s senior associate editor DEBORAH GRANDINETTI, the publication’s in-house CAM expert. Of note: Experts cited ‘weren't aware of a single case’ of a lawsuit against a physician for referring to a CAM provider. DAVID STUDDERT, an attorney who was a lead author of an 11/10/98 JAMA piece on
malpractice issues in CAM warns against referral to unlicensed practitioners, as “the courts could look upon (him/her) as incompetent.” Studdert recommends staying abreast of the literature in order to keep from being charged for referring a patient for services which may have been found to be ineffective. Legal scholar MICHAEL COHEN (one of the CHR/SIM presenters -- see article above) is cited as arguing that he’d like to see “duty to refer” run “both ways, so that physicians would be required to refer patients to a CAM therapists if there’s sufficient evidence that the therapy could diminish the need for medication, ease suffering or accelerate healing.” Cohen is the author of the groundbreaking “Complementary and Alternative Medicine: Legal Boundaries and Regulatory Perspectives” (Hopkins, 1998).

End
INDUSTRY/HEALTH News File #19, June 7, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #20, June 14, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Hospital-Based Massage Program Data
2 Integrative Clinic: Process for Developing a Natural Products Pharmacy
3 Media: AMNews on CAM insurance, Current Medicine volume
4 Interactive Comment: Problems with Natural Product Quality

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1 HOSPITAL MASSAGE REPORT

The April 1997 INTEGRATOR looked at the expansion of hospital based massage programs. A report in HOSPITAL BASED MASSAGE NETWORK QUARTERLY looks at hospital based massage programs in 17 hospitals. The report was compiled by SONAL SUBRAMANIAM, a graduate student. Findings include:

1) Of those offering massage to employees, 47% allowed employers to take massage during scheduled work time.
2) 35% (6) bill for reimbursement under PT and occupational therapy.
3) 24% (4) offer the services for free and consider it as part of nursing care
4) Maximum number of massage therapists in any institution was 3.
5) Credentialing varies significantly, including educational requirements from 200 to 100 hours.
6) The full time salaried providers made $20,000 -- $49,000; hourly fees range from $8 to $26.
7) 29% (5) were engaged in gathering some data on effectiveness of treatment
For HBMN: 970-407-9232. Note, owner Laura Koch of this quirky but useful, labor-of-love-publication announced that she is looking for someone to take it over. She plans just two more issues. HBMN.com.

2 MEDIA & PUBLICATIONS

A. AMERICAN MEDICAL NEWS CAM INSURANCE/INTEGRATION FEATURE

AMERICAN MEDICAL NEWS (June 7, 1999) includes a two pager called “Alternative Care: Getting a Boost from Insurers.” Featured is data from the MERCER/FOSTER HIGGINS study (May 1999 INTEGRATOR) which THE INTEGRATOR provided to the AMN reporter. JOHN LA PUMA, MD, medical director of a health and fitness clinic for ALEXIAN BROTHERS MEDICAL CENTER in Elk Grove Village, Illinois, is among those interviewed. BLUE CROSS BLUE SHIELD OF GREATER ROCHESTER is noted as starting up an acupuncture benefit this year. (Note: This program is NOT in the INTEGRATOR chart on Blues activity.) Director of education, JIM REDMOND, is quoted on consumer demand being the motivation. ANNA SILBERMAN of HIGHMARK BLUE CROSS BLUE SHIELD (see INTEGRATOR BLUES chart) reports that an evaluation of 130 patients in the firm’s progressive DEAN ORNISH affiliated heart program saw cholesterol drop an average of 27 points and oxygen capacity up 2.2%. Highmark is pleased with the results. Another party interviewed is ADVOCATE HEALTH CARE, a health system in Oak Brook, Illinois, which “teamed with ALTERNATIVE HEALTH PARTNERS” on an outpatient, integrative clinic. FREDERIC ETTNER, MD, the clinic’s co-medical director, estimates that 1/4 of the clinic’s patients have limited insurance, while the rest pay on their own. For AMNews: 800-262-2350.

B. CURRENT MEDICINE: CURRENT REVIEW OF COMPLEMENTARY MEDICINE

The CURRENT MEDICINE volume on complementary and alternative medicine, edited by MARC MICOZZI, PhD, MD, is out. Most of the volume focuses on clinical issues and data (chelation, acupuncture, herbs, lifestyle intervention, etc.). Should be a good educational tool for physicians. The last section looks at the administrative side -- a short piece on clinics by DAVID EDELBERG, founder of AMERICAN WHOLEHEALTH, one on insurance by JOHN WEEKS/ISNH, one on healing environments by ANNETTE RIDENOUR, who designed the space for the ill-fated ARIZONA CENTERS initiative, and an interesting look at CAM surveys from JACKIE WOOTON who is managing editor for the Liebert blue journal. (The volumes pictures of the Arizona Centers meditation area -- now reportedly a telemarketing operation -- are the worst sort of black humor. -- JW) Current Medicine is in Philadelphia, PA. 215-574-2266

3. INTEGRATIVE CLINICS: DEVELOPING A NATURAL PRODUCTS PHARMACY

Note: The July INTEGRATOR will focus on credentialing natural product suppliers and developing botanical dispensaries. LEAH KLIGER, with THE LAKES GROUP, offered the following, based on her experience in this area with hospital outpatient pharmacies and CAM-oriented physician offices. It is a useful overview of a process:

“Find a physician or pharmacist champion (preferably both). Form a small task group comprised of the physician, pharmacist, nutritionist, project lead (often an administrative type). Conduct interviews with selected physicians/nurse practitioners/PA’s to find out what kinds of patients they most often see, and for what conditions. Assess their attitudes towards herbs and nutritional supplements. Based on data, develop a list of common (and chronic) conditions and match various herbs/nutritional supplements that have been shown by research studies to be effective.
Credential herb suppliers that sell only to professionals using a credentialing check list.” [Kliger notes 40 companies but usually works with less than 10.] She continues: “Gain agreement on which products to stock from the small task group, and if, a hospital or large clinic, from the pharmacy and therapeutics (P&T) committee.” Kliger then shifts to facility issues: “Look at facility requirements--space, layout, case work and fixtures necessary, etc. Do a financial forecast based on market size.” Kliger uses conservative estimates. “Check to see if any area insurance companies cover these products. Add other products such as homeopathics and/or Bach flower remedies and/or aromatherapy and/or natural throat lozenges, etc. if acceptable.” She recommends an educational component: “Hold grand rounds and educational sessions for clinical staff. Buy many copies of the Herbal PDR and Commission E monographs and maybe one of the databases such as HealthNotes Online for many of the physicians/pharmacists. Promote the facility. Open. Add more products over time as practitioners feel more comfortable. Keep educating staff and community.”

Among Kliger’s clients in this area are Valley Medical Center, in Renton, WA. Kliger, whose mainstream background is with physician and hospital organizations, has educated herself in the area of botanicals and has presented nationally on the topic of developing a pharmacy program. For Kliger; 425-334-5926

4. INTERACTIVE COMMENT: NATURAL PRODUCTS FOLLOW-UP -- “DUMBING DOWN”

Following the comments from former AMERICAN HERBAL PRODUCTS ASSOCIATION president PEGGY BREVOORT in Newsfile #19, another industry player made the following comments. Given the initial rush to “expand the pipeline,” which Brevoort referenced, general product quality has suffered significantly. One reason is that pressures on supply have led to use of lower grade product. Another is what this player called the “dumbing down” of products. This is when a manufacturer sells a cheaper botanical by standardizing at a lower level. He noted a St. John’s Wort (Hypericum) product standardized at 0.15% which “sells 30 tabs for $4.00” while a product of greater quality (0.3%) might sell for 60 tabs at $14.00. He called this “shrewd marketing” -- in the short term. But these practices create a very damaging experience for the CAM movement: Many new users who, on their first experiment, get a product that is either made of poor raw materials or “dumbed down” good materials. Either way, this pioneering step into alternative medicine for these individual, trained to respond to typically faster acting pharmaceuticals even with the botanicals are at full strength, is likely to end in an experience which “confirms” that natural products don’t work. Pay closer attention than ever to supply.

End
INDUSTRY/HEALTH News File #20, June 14, 1999

INTEGRATOR INDUSTRY/HEALTH SUBSCRIBER

News File #21, June 21, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Business Developments (CWC/KATS, Leaver to AWHN from ASHP, CAM at AAHP)
2 Insurance Angles (Rolfers/Repetitive Stress, Chelation/CAD)
3 CAM Professions (AAOM/Fed Action, Bastyr/Spirituality program)
AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1 BUSINESS DEVELOPMENTS

A. COMPLETE WELLNESS CENTERS & KATS MANAGEMENT INK DEAL

Washington, DC-based COMPLETE WELLNESS CENTERS, a publicly traded firm which claims to be the nation’s “largest owner of integrated clinics” has formed a partnership agreement with KATS MANAGEMENT SERVICE, the nation’s leading chiropractic management consulting firm. CWC presently manages 82 branded “Complete Wellness Medical Centers.” The model links chiropractors and medical doctors; CWC does not own all the clinical facilities. KATS, formed by chiropractors DAVID KATS, DC, in 1982, currently has over 1,000 chiropractors on year-long consulting contracts. (The release states that KATS is “the only chiropractic consultancy endorsed by the AMERICAN CHIROPRACTIC ASSOCIATION.”) The June 16 announcement included a statement from CWC’s CEO JOE RAYMOND that CWC expected to: 1) assist in the firm’s national expansion by bringing it to the attention of more chiropractors, 2) increase CWC’s revenues; and 3) “give CWC the ability to train on a national basis.” CWC, an early player in the integrative medicine movement, successfully raised $6 million through an initial public offering in early 1997. MARC MICOZZI, PHD, MD, has served the firm as head of its advisory board. The firm originally planned to have a significant educational component, but has not, to date, done so. For CWC: 202-543-6800

B. LEAVER, DOUGLAS LEAVE ASHP FOR TOP ROLES WITH AWHN

In a June 20 announcement to THE INTEGRATOR which underlines the growing competitiveness between the national network businesses, Wisconsin-based AMERICAN WHOLEHEALTH NETWORKS announced that ERIC LEAVER, former VP for strategic planning with San Diego-based AMERICAN SPECIALTY HEALTH PLANS has left ASHP to assume a similar position with AWHN. ASHP is, from the perspective of current operating capital, the most significant player in network business. AWHN is the major venture player in the field. Also changing firms is BILL DOUGLAS, a former regional sales manager for ASHP. Douglas becomes AWHN’s VP for business development. JAY MASON, AWHN president, contacted THE INTEGRATOR with the announcement. Mason clarified that both individuals would be part of AWHN’s executive team, with a combined salary plus options plan. (According to the INTEGRATOR 1998 Network Executive Survey, ASHP’s employee packages do not include ownership or options.) The two are expected to immediately set up a California office for AWHN. Mason says that while AWHN “has significant PPO business” in California through its 1400+ credentialed chiropractors, the firm anticipates moving toward a Knox Keene license which will allow the firm to take risk. Mason said his interest in Leaver was stimulated by being “impressed by what (Leaver) was doing for his former employer.” Leaver was playing a leading role in ASHP’s expansion outside of its historic six state area (see May INTEGRATOR). Mason stated that he believed Leaver’s reasons for the move were that he “recognized the unique opportunities here, particularly our clinical expertise and what we can develop out of that.” Mason portrayed AWHN’s move into California as one which simply “needed the right person, and now we have him.” While Leaver’s focus, and that of Douglas, will be in California, “both he and Bill will have
no restrictions” and are expected to work part time in other areas of the country. Mason believes these moves will advance AWHN’s strategy of “selectively consolidating the industry.” For AWHN: 800-274-7526.

C. CAM NETWORKS PRESENCE INCREASES AT AAHP INSTITUTE

The AMERICAN ASSOCIATION OF HEALTH PLANS is the national industry organization for managed care firms. While slow to develop continuing education in CAM relative to its for-profit counterpart, the NATIONAL MANAGED HEALTH CARE CONGRESS, AAHP has had single sessions on CAM at its 1997, 1998 and at the present 1999 INSTITUTE (San Francisco, 6/20-23). The major shift with the AAHP is the presence and visibility of CAM network exhibitors and sponsors. AMERICAN SPECIALTY HEALTH PLANS is one of five “Conference Patrons,” at a reported $40,000-$50,000. One of just eight “Conference Hosts” is AMERICAN CHIROPRACTIC NETWORK INC. All totaled, CAM firms are 2 of 14 sponsors. Among the other exhibiting AAHP corporate members is LANDMARK HEALTHCARE. Also exhibiting are AMERICAN WHOLEHEALTH NETWORKS, TRIAD HEALTHCARE and PRISM NETWORKS.

CAM PRESENTATION IN CORE MANAGED CARE TRAINING    In related news, the AAHP has invited INTEGRATOR editor JOHN WEEKS to present a 90 minute luncheon CAM session at the organization’s “Managed Care in Practice: New Skills for a Changing Environment.” The August 8-11 meeting is an AMA accredited program (17.75 hours) developed as a basic training for new managed care personnel. This is the first of the AAHP’s basic trainings in which a CAM presentation has been included. The inclusion may be viewed as a sign of the CAM industry’s emergence as a part of doing business in managed health care. The presentation will be entitled: “Does Alternative Medicine Have a Place in Managed Care?” For AAHP: 202-778-3269.

2 INSURANCE ANGLES

A. ROLFERS BOAST OF EMPLOYER SAVINGS

An aggressive program to make ROLFING, a specific form of body work (“structural integration”) with its own internal certification requirements, available to employees is cited by STARKEY LABORATORIES, a large Minnesota manufacturer, as a significant factor in their workers compensation claims, according to a release from THE ROLF INSTITUTE. Cost reductions for repetitive stress conditions, some of which were reportedly linked to the Rolfing program, were from $1.2 million in 1992 to $150,00 in 1996. LARRY MILLER, the firm’s human resources VP, champions the Rolfing program. He specifically noted the positive impact on lowering workers compensation costs for carpal tunnel syndrome. Rolfing -- a series of sessions -- costs about $800 per individual, but Starkey notes that hand surgery runs $35,000 per employee. The Rolf Institute now offers a video, based on the Starkey experience, called “Rolfing in the Workplace.” There are roughly 1,000 certified Rolfers worldwide. 800-530-8875

B. CHELATION COVERAGE: WHERE IS IT AVAILABLE?

One of the more controversial areas of alternative medicine is with CHELATION THERAPY, for anything beyond heavy metal poisoning. Some employers have begun quietly covering the treatment, THE INTEGRATOR has learned. However, once being contacted, some employer medical directors have been reluctant to go public with the information, given the political-economic environment. Opinions runs high: Bypass is a high end mainstream procedure and chelation a high-end alternative medicine procedure for many CAM-oriented MDs and DOs (as well as chiropractors and naturopathic physicians, in some states). Both have been challenged on their appropriateness and effectiveness. In some cases, employer coverage seems to be linked to an executive having a positive experience of the chelation therapy. Anyone with
knowledge of employers or insurers who will go on the record with information about coverage, please contact THE INTEGRATOR at 206-933-7983, or send a return e-mailing. Thank you.

3 CAM PROFESSIONS AND ORGANIZATIONS

A. ACUPUNCTURISTS REACH OUT TO BURTON, FED AGENCIES ON HERBS

A June letter to CONGRESSMAN DAN BURTON from the AMERICAN ASSOCIATION OF ORIENTAL MEDICINE underlined that organization’s willingness to work with federal agencies on herbal safety and reporting issues. The letter, from DAVID MOLONY, LAc, the association’s executive director, notes that AAOM is initiating its own internal adverse events reporting program, but due to its own budget limits will be slow and therefore would welcome participation with an FDA initiative. Molony notes that the AAOM has “never been approached” by the FDA for involvement. He notes a “continuing problem” as “the lack of educated professionals in (NIH, HCFA, FDA, VA, and other agencies) who have any true awareness of what it is that Oriental Medicine professionals do or even what their educational criteria are.” The letter raises concerns about how judgments on Oriental medicine, and on herbal safety, can be made by “medical professionals from another medical paradigm.” 610-264-2755.

B. SPIRITUALITY PROGRAM AT BASTYR UNIVERSITY

BASTYR UNIVERSITY is offering a 30 credit Spirituality, Health and Medicine professional certificate program starting this fall. The program has secured supportive quotes from JOAN BORYSENKO, PHD, CAROLINE MYSS, PHD, and RACHEL NAOMI REMEN, MD. The chair of Bastyr's Department of Spirituality, Health and Medicine is EMMA BEZY, MSW/ACSW. The diverse 10 course program includes sessions on perspectives of world religions on spirituality and health, ethics, personal practice (“Walking the Talk,” two courses), research methodology and others. The program has been in discussion and development for over six years. Bastyr is the nation's leading, multi-disciplinary university of natural medicine and is the only CAM-based institution to have received significant NIH research funds. [Note: Bastyr's leading administrators have argued, in a variety of forums and in general agreement with the AAOM position noted immediately above, that the distinct CAM professions have been underrepresented in federal policy making on CAM. -- JW] For Bastyr: 425-602-3005.

End
INDUSTRY/HEALTH News File #21, June 21, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #22, June 28, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Battle over Benjamin’s SUNY Stony Brook IPA Program
2 AWHN Takes 50% Stake in N-CAM
3 Two on CAM Mandates (Federal employees, WA Rules)
4 AMA Guidelines on In-Office Sales of Health Products
5 Workforce Magazine Feature
6 More on Conference Turnout

THE INTEGRATOR
for the Business of Alternative Medicine
1 CAM IPA MOVE STIRS CONTROVERSY AT BENJAMIN’S SUNY NY PROGRAM

Controversy is storming around the integrative medicine program at STATE UNIVERSITY OF NEW YORK AT STONY BROOK following announcement by INTEGRATOR advisor SAM BENJAMIN, MD, that he plans to develop an independent provider association (IPA) to offer insured CAM benefits. The situation underlines the heat of the conflict, especially once services are delivered. A May 11 article in NEWSDAY publicized Benjamin’s efforts to contract with various HMOs to deliver CAM services. The HMO cited is MDNY HEALTHCARE, and its medical director RON PERRONE, MD, who said the firm’s CAM product, at least six months from formal approval by the state insurance department, would require PCP referral. The IPA was to serve as the network. In the article, MARCIA ANGELL, MD, editor of NEJM, and an outspoken antagonist toward CAM, derides the IPA: “There is money in alternative medicine and universities are not above reaching for that money.” She is quoted as calling the move “disgusting.” (An unnamed antagonistic physician took the same tack, suggesting that it would be “more honest ... if the university were open a gambling casino.” NORMAN EDELMAN, MD, the medical school’s dean, put the IPA on hold, pending review. The issue has split the school’s medical leadership, with Benjamin strongly supported by hospital director MICHAEL MAFFETONE, by JIM DAVIS, MD, chairman of neurology, and others. Benjamin told the INTEGRATOR that he feels the program may be at risk. Citizens groups are lining up in support of the effort, and the effort has been opposed by some of the national so-called “anti-quackery” groups. Leaders of different CAM programs are quoted as weighing in on various levels. DAVID SPIEGEL, MD, at STANFORD, spoke of moving more “cautiously” than he perceives Benjamin while BRIAN BERMAN, MD, at the UNIVERSITY OF MARYLAND reportedly called his own clinic “important for generating ideas” on which his team could undertake double-blind research. Strong support was weighed in by MEHMET OZ, MD, across the East River at COLUMBIA-PRESBYTERIAN who applauded Benjamin’s efforts at organizing provider, “the single biggest problem in alternative medicine.” Oz talks about having some “air cover” in his own program, “but when you got to outpatient services, you can ruffle a lot of feathers.” INTEGRATOR interviews found significant underlines the depths of anxiety provoked by integrative departments, particularly when they reach out to offer services. This report is based largely on three articles filed by NEWSDAY reporter RIDGLEY OCHS.

2 AWHN TAKES 50% STAKE IN NETWORK-OF-NETWORKS N-CAM

Following discussions that began at the spring meeting of the NATIONAL MANAGED HEALTH CARE CONGRESS, national network-of-networks, N-CAM, has developed a business strategy under which AMERICAN WHOLEHEALTH NETWORKS (AWHN) will assume 50% ownership of the presently-discount-oriented business. N-CAM’s president and founder, ELIZABETH MANZOLILLO, saluted the relationship as excellent for her rapidly expanding firm. Manzolillo will continue to be in charge of managing relationships with the diverse firms in the network (12, plus 9 associates), while AWHN will focus on administrative support and credentialing, according to AWHN CEO JAY MASON. Mason told THE INTEGRATOR that he views the move as part of his firm’s ongoing effort to “selectively consolidate” the industry. Terms were not disclosed although
the parties suggested that each believed N-CAM's value with AWHN's skill-set at its disposal is significantly higher than N-CAM alone. AWHN, for instance, has experience in taking risk and managing diverse CAM services, while N-CAM has grown up in the discount environment. AWHN already contracted with N-CAM. In related news, N-CAM announced that ALTERNATIVE HEALTHCARE OPTIONS in North Carolina has joined the network as an affiliate. For N-CAM: 914-932-8000; for AWHN: 800-274-7526.

3 TWO ON MANDATES: FED BILL AND WASHING RULE

A. Burton/Sanders Introduce Mandate for Federal Employees

In yet another instance in which the politics of CAM makes strange bed-fellows, Independent Congressman Bernie Sanders (Independent - VT) and Dan Burton (R-IN), will soon introduce HB 2360 which, if passed, would require certain CAM services be covered for Federal Employees. The bill is expected to be dropped into the House Government Reform Committee, which the conservative Burton chairs. Sanders, whose political careers began as a socialist Mayor of Burlington, Vermont, has had his staff working on the language and in consultation with diverse parties for 4-6 weeks. Anticipated language of the short bill follows: “To provide that benefits under chapter 89 of title 5, United States Code, may be afforded for covered services provided by a licensed or certified chiropractor, acupuncturist, massage therapist, naturopathic physician, or midwife, without supervision or referral by another health practitioner.” The bill makes changes in related statutes. The team working on the bill is attempting to pull together cost data to support the legislation.

B. WASHINGTON STATE: HEARING ON “EVERY CATEGORY” RULES

The Washington state “every category of provider” mandate has been closely watched, potentially as a model, by many individuals looking at other state and federal legislation. For instance, many professionals who gained experience under the January 1, 1996, were consulted by the congressional team on the federal employees bill noted above. Formal clarification of that historic statute, which required all plans to include acupuncturists, naturopathic physicians, chiropractors and massage practitioners, is presently underway. Washington state INSURANCE COMMISSIONER DEBORAH SENN (D) has, following the US Supreme Court’s rejection of a suit by carriers to toss out the mandate, filed administrative rules. The key points are:

1) Carriers are prohibited from excluding entire categories of health care providers based upon a finding that no service for the particular category is cost-effective or efficacious.
2) Health plans may contract reasonable limits on individual services so long as such limits are consistent with the statute. Gatekeepers may be utilized as access to CAM providers.
3) Carriers may use restricted provider networks and are not required to include all providers in a given category. [This is NOT an “any willing provider” statute. -- JW]
4) Carriers may not provide coverage solely as a separately priced optional benefit.
5) Clarification that the rules also apply to the state’s basic health plan (if services are insured and can be cost-effectively performed by (a CAM provider), the CAM provider can not be excluded from the provider network.

Finally, the proposed rule open an interesting discussion on scientific support, noting that carriers can determine that “particular ervices for particular conditions by particular categories of providers are not cost-effective or tically efficacious.” However, such decisions must follow normal rules. [This may prove an opening into the can of worms regarding the extent of scientific and effectiveness support for many conventional treatments. -- JW] For OIC: 360-664-3786.
Sales of nutritional products represent significant (20% to 50%) revenues to most integrative practices of CAM-oriented MDs, broad-scope chiropractors, naturopathic physicians. Many view these practices as quite vulnerable to the integration process. So the June 22 action of the AMA HOUSE OF DELEGATES on the “sale of health-related products” was closely watched. Because this issue is of interest to so many of you, the AMA’s recommended guidelines, from its press release on the subject, are printed below.

*** Physicians may distribute health-related products to their patients free of charge or at cost (reasonable expenses of obtaining, storing and dispensing) in order to make useful products readily available to their patients.

*** Except under certain circumstances, physicians should not sell a health-related good when patients can obtain a product that offers the same medical benefit at a local pharmacy or health-products store.

*** Physicians must disclose fully the nature of their financial arrangement with a manufacturer or supplier to sell health-related products. Disclosure includes informing patients of financial interests as well as about the availability of the product or other equivalent products elsewhere. Physicians should, upon request, provide patients with understandable literature that relies on scientific standards in addressing the validity of the health-related goods.

The AMA release further states that the guidelines “are designed to limit conflict of interests, minimize the risk of brand endorsement, and ensure a focus on benefits to patients.” The report also “recommends that health-related products should not be sold if the benefit claims lack scientific validity.” In addition, the reports recommends that “physicians should not participate in exclusive distributorships of health-related products (goods available only through physicians’ offices and for which there is no comparable alternative available at a local pharmacy or health-products store).” A move to send the guidelines back for further study was defeated by just seven votes among the 487 delegates. Contact: Ross Fraser, public information officer of the AMA, +1 312-464-4443; www.ama-assn.org.

5. WORKFORCE MAGAZINE PRESENTS CAM TO HR MANAGERS

WORKFORCE, a significant publication for human resources managers, offers a 12 page look at CAM in its June issue (pages 88-100). The tone is quite positive. CAM is framed by writer BRENDA PAIK SUNOO up front as something to be considered “as employers constantly look for ways they can reduce their long-term health costs and juice up their benefits to attract and retain top talent.” LIFECARE ASSURANCE, an 150 employees company which is profiled on its use of the CONSENSUS/CALIFORNIA BLUE SHIELD discount program, reportedly is seeing “reduced absenteeism” as the main benefit. (The reporter notes that absenteeism costs employers in the US $50 billion a year and that an “unscheduled absence survey” found that 16 percent of American workers took off time due to stress.) Maryland-based C3, headed up by MICHAEL STEINBERG, MD, a CAM network which is part of N-CAM. received significant exposure. Interesting, the local network’s reach as part of N-CAM (“30,000 providers nationwide”) was presented as a C3 network. On the issue of potential liability, the reporter promotes a conservative line: “Employers shouldn’t advise employees to use (CAM) practices. HR’s (Human Resource’s) role is to disclose what benefits are available -- leaving all medical advise to the practitioners.” www.workforceonline.com

6. CONFERENCE TURNOUT BRIEFS

There was good news/so-so news for sponsors of the CAMBRIDGE HEALTH RESOURCES (CHR)-SOLUTIONS IN INTEGRATIVE MEDICINE two day event in early June which focused on the practical strategies in developing CAM clinics. The $1200 event drew just 55 (so-so), but according to a CHR report to speakers, the group who attended gave the meeting a very high, 4.7
(on a 5 scale) average rating from attendees ... Meantime, down south, the MEMORIAL HERMANN program in conjunction with the UNIVERSITY OF TEXAS HEALTH SCIENCES (see June 1999 feature on the system) drew significantly fewer than were anticipated, at 260 paid and over 300 including speakers and exhibitors. Once again, according to MARY HELEN MOROSCO, a program manager, the reports from attendees were very positive, Memorial is planning a year 2000 event ... The three day, ambitious, mid-June integration intensive planned for the Washington, DC area which was backed by conference firm AiC CONFERENCES was scuttled for lack of attendance. AiC had drawn 75 to a two-day intensive in September of 1998, held in Las Vegas. SUZANNE PEREIRA, the organizer for AiC Worldwide, is no longer with the firm ... The single AMERICAN ASSOCIATION OF HEALTH PLANS session on CAM, held in a late sunny San Francisco afternoon time slot on the third day of the conference drew poorly with only some 40 people in attendance. All attendees and exhibitors felt that general attendance was also down significantly, at “probably not more than a thousand” according to one insider, not including exhibitors.

End
INDUSTRY/HEALTH News File #22, June 27, 1999

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

847-864-0123
1 INSURANCE MOVE STIRS CONTROVERSY AT SUNY NY CAM PROGRAM

Controversy is storming around the integrative medicine program at STATE UNIVERSITY OF NEW YORK AT STONY BROOK. The situation underlines the depths of anxiety provoked by integrative departments. A May report in NEWSDAY, the Long Island newsletter which serves the Suffolk County home base of the medical school, in which program director and INTEGRATOR advisor SAM BENJAMIN, MD, noted his plans to develop a network of providers to offer an insured CAM benefit.

CLINIC PROFILE: JON KAISER WELLNESS CENTER

THE WELLNESS CENTER, a tenant of a CALIFORNIA PACIFIC MEDICAL CENTER in San Francisco’s Davies Campus is an integrative clinic run by internist Jon Kaiser, MD. Kaiser told
THE INTEGRATOR that his clinical focus is on integrative care for complex conditions. The clinic’s

<< "....firm, according to JAY MASON (AWHN), president and N-CAM's founder, ELIZABETH MANZOLILLO, will continue to be in charge of managing relationships with the diverse firms in the...." >>

CHICAGO (Reuters Health) - By the slimmest of margins, the American Medical Association (AMA) voted Tuesday to put limits on the sale of health-related products in doctors' offices.

The AMA's house of delegates approved a report from its Council on Ethical and Judicial Affairs that says doctors should either give patients such products for free or sell them at cost.

Additionally, the ethics watchdogs said that doctors should inform patients of any financial interests that the doctor may have in the products.

A coalition of plastic surgeons, dermatologists and several large state delegations, including New Jersey, sought to send the report back to the Council for rewriting, but the 487 delegates rejected that move by just seven votes.

Several delegates said an emotional plea by former AMA president Dr. Robert E. McAfee of Portland, Maine, carried the day. McAfee said the AMA is the guardian of ethics. "The code of ethics is the only thing that separates us from a trade or a guild.... While more permissiveness on this might be good business, it is not good medicine," he said.

Dr. Kathleen A. Weaver of Lake Oswego, Oregon, said the practice of physicians selling vitamins and supplements in their offices in Oregon is so prevalent that she worries that "our professionalism could be sold one bottle at a time."

In addition to approving the report on product sales, the delegates also adopted a Council report that says physicians are ethically bound to assess patients' driving abilities and to report to the Department of Motor Vehicles patients who are impaired and whose driving could endanger others. The reports to DMV should be made after the physician has discussed the issue with the patient and has informed the patient of the intent to make a report to the DMV, according to the report.

ACCN AND UNITED HEALTHCARE

Four outcomes, Provider Report Form plus SF 12, all new and unrelated problem, patients ACCN recommends sending within 3 days of evaluation, but no later than 30 days, to Tualitin, OR, on CFA 1500
Some conditions require co-management (cancer, require prescrip. off the ND prescrip. list
Established relationship with UHC physician for hospital admitting
Exclusion: applied kinesiology, Chelation therapy, clinical kinesiology, colonic therapy (may be included with pre-auth), cytotoxic testing for food allergies, ELISA testing, hair analysis (except heavy metal), iridology, gem therapy, live cell analysis, midwifery, RAST (specific cases yes), Ream's analysis, Saliva analysis (specific, yes), screening functional lab panels (with documented), test of toxicity (with documentation), surrogate testing, therapeutic touch
Medical benefits waiver: for for non-covered (“elective” or “maintenance” care is defined as a service beyond HP benefit)
THE FORM, AND DEBAET OVER IT ...
ACUPUNCTURISTS STRUGGLE ON ROLE FOR DETOX SPECIALISTS

Note: The following information is culled from a series of issues of Guidepoint: Acupuncture in Recovery, an exceptional newsletter for individuals looking at the role of CAM, and in particular acupuncture, in addiction. $180, 12 issues X 8 pages/issue. acudetox@aol.com.

An interesting viewpoint on CAM issues surrounding guild "ownership" of names, on advanced empowerment of lay people as caregivers, and in self-care strategies is the evolving role of the ADSes -- "acupuncture detox specialists." The professional association representing licensed acupuncturists, AMERICAN ASSOCIATION OF ORIENTAL MEDICINE (AAOM), prefers that "acupuncture" be removed from the name and "auricular detox specialists" be used instead. This name reflects the point on the ears which ADSes are trained to needle. ADSes become "certified" in a short course led by a "Registered Trainer" and are not usually licensed to practice acupuncture. They are certified to use the five ear points in the NADA protocol in a 70 hours training program. One registered trainer who supervises a program, Claudia Voyles, states that Sponsors to these courses recently include the UNIVERSITY OF TEXAS (UT), through the department of continuing education department headed by Aileen Kishi, PhD, RN. (The UT training cost a total of $339 and included 84 contact hours. (For Kishi: 512-322-9648.) The NATIONAL ACUPUNCTURE DETOXIFICATION ASSOCIATION, the national organization representing ADSes, pushes for exemptions to acupuncture practice acts, in California and elsewhere. NADA states succinctly its view: "If ADS training and practice is restricted to license acupuncturists and physicians, very few treatments would be done and a great resource would be lost." NADA promotes use of ADS USUAL COST OF TREATMENT. Readers of "Guidepoint: Acupuncture in Addiction," a monthly newsletter which does an excellent job of reporting this issues, will note that the interest in empowering patients to be certified to deliver addition care is extended to patients with other conditions. A story on some single case of provider-reported success with auricular acupuncture techniques for attention deficit disorder, for instance, promotes educating parents on how to use auricular treatments as home care for their children. The AAOM, which has initiated a national media campaign to promote that the public "not to accept less than complete training in acupuncture and oriental medicine modalities" -- a swipe in both directions, as ADSes and MD-acupuncturists. use of acupuncture by licensed providers, has not formal position on ADSes from its House of Delegates. The NATIONAL ACUPUNCTURE AND ORIENTAL MEDICINE ALLIANCE, an advocacy organization for acupuncture of all kinds, promotes ADSes, and views them as helpful to the advancement of the acupuncture profession. The historically AAOM antagonism appears to have softened somewhat. According to AAOM's executive director David Malony, his group "is promoting negotiations toward a national consensus on standards." Notably, the detox program began with founder Michael Smith, MD, working in Lincoln Hospital in the South Bronx, who simply chose to train addicts to do auricular acupuncture on addicts. Said Smith, at a February presentation at the HEALTH CARE FORUM meeting: "This was the South Bronx. No one cared what we did."

WHOLE HEALTH EDUCATORS: NEW PERSONNEL TO COACH PATIENTS?

One strategy for filling gaps in whole person patient education given the time pressures in most reimbursed medical practices is being promoted by the NEW ENGLAND SCHOOL OF WHOLE HEALTH EDUCATION (NEWWHE). The school, licensed by the Department of Education of the COMMONWEALTH OF MASSACHUSETTS, is a two year "career training program" which includes a 250 hour internship. The school's mission espouses a philosophy of approaching...
healthycaer “from a whole person oriented philosophy which is educational, focused on disease prevention and, to the extent possible, fully engages the participation of the individual in their health experience.” Founder Georgianna Donadio adds that the goal is to create a “model of patient education based on unconditional presence and respectful listening which invites people into their own healing and self-management.” NESWHE “Whole Health Educators” graduates have been covered by a four of the 12 Self Insured Trust Funds administered by MODERN ASSISTANCE PROGRAMS, INC, a medical care management company based in Quincy. (617-773-4288). The trusts include HOTEL AND RESTAURANT WORKERS LOCAL 26, AUTOMOBILE WHOLESALERS ASSOCIATION OF NEW ENGLAND. The school has partnered with ALTANTICARE MEDICAL CENTER in Lynn, Massachusetts, to research the outcomes of Whole Health Educators in cardiac rehabilitation. In another collaboration, UNION HOSPITAL, also in Lynn, is moving forward to establish a new department Whole Health Education. The one-on-one model has a patient meeting in six sessions with a AWE. Of course, work for NESWHE program links nutrition, stress reduction and body-mind ideas. 617-247-0896

End
INDUSTRY/HEALTH News File #16, May 14, 1999

(Original Signature of Member)
106TH CONGRESS
1ST SESSION
H. R. 11
IN THE HOUSE OF REPRESENTATIVES
Mr. SANDERS (for himself and Mr. BURTON of Indiana) introduced the following bill; which was referred to the Committee on

A BILL
To provide that benefits under chapter 89 of title 5, United States Code, may be afforded for covered services provided by a licensed or certified chiropractor, acupuncturist, massage therapist, naturopathic physician, or midwife, without supervision or referral by another health practitioner.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. HEALTH BENEFITS COVERAGE.

(a) IN GENERAL. Section 8902(k) of title 5, United States Code, is amended by inserting “chiropractor, acupuncturist, massage therapist, naturopathic physician,” after “nursing school administered clinic,” each place it appears, and by striking “nurse midwife,” each place it appears and inserting “nurse midwife or other midwife,”.

(b) EFFECTIVE DATE. The amendments made by subsection (a) shall apply with respect to contracts entered into or renewed on or after the date of enactment of this Act.

AMA Sets Policy on Physician Sale of Health-Related Goods

CHICAGO, June 23 /PRNewswire/NEWSdesk -- The American Medical Association (AMA) voted Tuesday to establish voluntary guidelines for physicians who sell
non-prescription, health-related products from their offices.

The report presented by the AMA's Council on Ethical and Judicial Affairs, recommends that health-related products should not be sold if the benefit claims lack scientific validity. The report also recommends that physicians should not participate in exclusive distributorships of health-related products (goods available only through physicians' offices and for which there is no comparable alternative available at a local pharmacy or health-products store).

The report recognizes the potential patient benefit of physicians being able to provide health related products for their patients: "Making such items as prenatal supplements, children's bicycle helmets, nicotine patches, and sun-block available in a physician's office at cost may enhance patients' access to such useful products, raise awareness as to their availability, and reinforce the likelihood that patients will use them." The report recommends the following guidelines that are designed to limit conflict of interests, minimize the risk of brand endorsement, and ensure a focus on benefits to patients:

Physicians may distribute health-related products to their patients free of charge or at cost (reasonable expenses of obtaining, storing and dispensing) in order to make useful products readily available to their patients.

Except under certain circumstances, physicians should not sell a health-related good when patients can obtain a product that offers the same medical benefit at a local pharmacy or health-products store.

Physicians must disclose fully the nature of their financial arrangement with a manufacturer or supplier to sell health-related products. Disclosure includes informing patients of financial interests as well as about the availability of the product or other equivalent products elsewhere. Physicians should, upon request, provide patients with understandable literature that relies on scientific standards in addressing the validity of the health-related goods.

The AMA historically has opposed any practices that exploit patients. These guidelines were adopted to preserve the AMA's role in promoting professionalism and ethical standards.

SOURCE American Medical Association
Web site: http://www.ama-assn.org
CONTACT: Ross Fraser, Public Information Officer of the AMA, +1 312-464-4443
IN: HEA MTC >>
THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1 MAJOR DEVELOPMENT: US PATENT ON CAM CODING TO ALTERNATIVE LINK

A major, and what will likely be controversial step, has taken on June 22, 1999, when the US PATENT AND TRADEMARK OFFICE issued to ALTERNATIVE LINK patent #5915241, “Method and System of Encoding and Processing Alternative Healthcare Provider Billing.” According to Alternative Link materials, the system includes 4000 discrete codes “to describe in administrative billing codes what is said, done, ordered, prescribed or distributed from CAM providers.” JO “MELINNA” GIANNINI, is his name the patent is registers, the firm’s president, contacted THE INTEGRATOR on July 1 with the news. The firm is requesting that “several companies have mistakenly infringed upon specific rights granted by the US patent,” and urges “those who have developed CAM billing or coding information contact us.” The coded procedures include, but are not limited to, the following specialties: acupuncture, chiropractic, botanicals, holistic medicine, homeopathic medicines and homeopathy, massage therapy or bodywork, midwifery, naturopathy and nursing procedures.” The firms requests that they be contacted by July 31, 1999, regarding a “grace period to resolve infringement issues.” Contact is Roger Michener, JD, PhD (505-771-1728). Those wishing to read the patent can do so via westlaw.com (download $65). Alternative Link’s business plan for the coding system, beyond securing the patent, over the past two years has included: meeting all HIPAA and Y2K requirements; establishing RVUs (relative value units) to codes; ensuring the codes fit into all Legacy billing systems; cross-walking the codes to CPT, when applicable; linking codes electronically to state-by-state practice scopes; and linking codes to training requirements. Giannini states that the firms products and systems to use the codes, via licensing agreements, are available. Differing levels of products are available at different rates. Those wishing to obtain a copy of the codes, contact INTEGRATIVE MEDICINE COMMUNICATIONS (617-641-2300). (Review of this patented information is highly recommended for all involved in billing processes. I expect this to be a huge development in the CAM field, and will look at in more detail -- including diverse responses -- in the August-September issue. Please feel free to get back to me with your questions and comments. -- JW)

2 TAPESTRY GROUP KICKS OFF CLINIC-NETWORK VENTURE IN NEW ENGLAND

MIKE SHOR, MPH, whose background includes experience as a managed care executive and as a former ICU nurse, has shared with THE INTEGRATOR news that his firm successfully secured venture funds in the low seven figures” -- “exactly what we intended” -- to move forward with a combined clinic-network project which has been in full-time development for the past year. The first steps are two clinics will be officially opened within the next three months; one is already in operation. SHOR states that his model is distinguished from some others by its “purposeful” focus on collaborating closely with the conventional medical community. On that line, MARTIN GELMAN, MD, head of GREATER BOSTON MEDICAL ASSOCIATES has signed on as Tapestry’s director of medical affairs. Active discussions are underway toward partnerships
with mainstream medical providers and systems. Intention is clear in at least one location: directly across the street from ST. ELIZABETH’S HOSPITAL, which has had a CAM interest group. Shor’s team also includes acupuncturist JERRY KANTOR, LAc, the firm’s clinical director. The clinical model includes acupuncturists, naturopathic physicians Shor anticipates that over time upwards of 60% of the clinic business will be from referrals via medical doctors, managed care and case managers. A strategy is under way to develop good cost data, via comparisons with average cost data on certain conditions. Shor, whose last venture experience was with a successful workers compensation firm, mentions that focal conditions might be low back, migraine, carpal tunnel, as well as maternity services. Shor, and his team, have extensive professional networks in the Boston area. Shor notes that the network, presently in development, will eventually have up to 200 providers, is “not a discount network,” but one which will be based on needed skill sets. States Shor: “This is not a ‘nice to have’ program but something which, when used prudently, will make a difference to all players.” The investor team includes private individuals, fund investors and clinicians. Contact Irwin Mesch: 617-323-0900

3 U MINNESOTA IN GRAD CAM PROGRAM AND INTEGRATIVE CLINIC

A new graduate-level minor in complementary medicine, believed to be the nation’s first, will be offered by the UNIVERSITY OF MINNESOTA. The 12 credit, three course program is being spearheaded by MARY JO KREITZER, a long time CAM player who currently heads the school’s CENTER FOR SPIRITUALITY AND HEALING. The clinic, scheduled to open this August, will offer diverse CAM therapies delivered by nurse practitioners, acupuncturists, nutritionists and ‘herbal therapists, will be housed on the 12th floor of RIVERSIDE HOSPITAL, according to an article in the StarTribune (June 4, 1999) from which this information is abstracted. The clinic is expected to have a significant research focus. This is the third Twin Cities hospital to offer integrative services, following HENNEPIN FACULTY ASSOCIATES and HEALTHEASt. The efforts are supported by FRANK CERRA, the head of the university’s academic health center, and GREGORY PLOTNIKOFF, MD, an assistant professor of internal medicine and pediatrics. Cerra, who noted that he knew of no opposition within the university, responded to antagonism from JUDITH SHANK, MD, president of the state medical association, with: “We don’t have evidenced based data for probably more than 30% of (conventional practices) but we do it because it’s [accepted as] best practice.” Plotnikoff is one of the lead authors in the MINNESOTA MEDICINE feature issue noted below. [GET A PHONE FOR KREITZER ... MAY BE SUBSCRIBER]

4 RESOURCES

A. MINNESOTA MEDICINE MEDICINAL HERBS ISSUE

The May issue of MINNESOTA MEDICINE, the publication of the MINNESOTA MEDICAL ASSOCIATION, features nine articles, covering nearly 50 pages, on diverse alternative medicine topics, with a focus on herbs. Included are features on: legal aspects of alternative medicine, an integrative study on hepatitis C, recommendations for an herb library, safety and quality issues, indications and contraindications of top herbs, etc. The editorial line is refreshingly balanced. Editor-in-chief, CHARLES MEYER, MD, quietly criticizes the antagonistic position toward CAM taken by his counterparts at NEJM: “There is scientific support for certain herbal medicines. In many cases, lack of support (from conventional doctors) is a result of scientific medicine prejudging and blindly dismissing herbal claims. And medical practitioners are deluding themselves when they claim that they only prescribe remedies that are scientifically proven by the hallowed standard of randomized studies.” Single copies: $3.50. Call 612-378-1875, or email mm@mnmed.org.

B. CAM IN NECK CANCER PATIENTS
The spread of interest in CAM among different types of patients is underlined in a recent article entitled "Use of Alternative Medicine Among Patients with Head and Neck Cancer (Arch Otolaryngol Head Neck Surg. 1999; 125:573-579, May 1999). The most often used products were botanicals. Some findings on the 200 subject, interview survey based in Toronto:

<table>
<thead>
<tr>
<th>Had used an CAM for any purpose</th>
<th>38.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Used any CAM for their neck cancer</td>
<td>22.5%</td>
</tr>
<tr>
<td>% whose use with cancer was first CAM use</td>
<td>36.0%</td>
</tr>
<tr>
<td>CAM used as “anti-cancer”, perceived benefit</td>
<td>44.0%</td>
</tr>
<tr>
<td>CAM used for symptomatic relief, perceived benefit</td>
<td>76.0%</td>
</tr>
</tbody>
</table>

End
INDUSTRY/HEALTH News File #23, July 2, 1999

--------------------

INDUSTRY/HEALTH SUBSCRIBER

News File #24, July 9, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Kaiser Experience with Group Focused Services
2 ChiroSource expands PPO relationships
3 DoD: Pro and Con Views of Dietary Supplementation
4 Resources (tax and legal issues, acupuncture scopes of practice, Jonas book)
5 Short Notes (Triad/URAC, US Loans for Massage Training, AltLink feedback, plus)

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

--------------------

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

--------------------

1 KAISER ON GROUP-FOCUSED SERVICES

The May Viewpoint in THE INTEGRATOR looked at the work of CHRIS FOLEY, MD, in delivering integrative medicine through clinical services to a group of clients, rather than in the typical one-to-one clinical environment. GROUP PRACTICE JOURNAL has recently published a series of articles which are excellent resources for any integrative clinic -- or even CAM networks -- offering integrative services. KAISER PERMANENTE San Jose’s leader on the project, EDWARD NOFFSINGER, PHD, calls the groups DROP-IN GROUP MEDICAL APPOINTMENTS (DIGMAs -- an acronym rivaled only by “CAM” for being inappropriate in describing a service). The June issue provides a series of testimonials from an array of Kaiser specialists (nephrologist, endocrinologist, oncologist, family practice, etc.) using one or two DIGMAs per month is a good starting place. Non-quantified outcomes of these testimonials: increased patient satisfaction, increased provider satisfaction with practicing medicine, better patient compliance, fewer crises,
diminished use of office calls, increased patient empowerment, etc. The candid perspectives of
these physicians, many of whom note originally resisting the idea, offer a high level of clinical
excitement about this “alternative” delivery method unusual from physicians these days. Exciting
stuff with intriguing applications in the CAM arena. Some challenges could be expected in
moving this outside the staff model HMNO environment. The January through April issues of the
monthly also ran related articles. Copies are available through 703-838-0033, ext. 326.

2 CHIROSERVICES RAISES PROFILE; COMMENTS ON CHIRO USE

Clayton, California-based CHIROSOURCE, INC., founded in May of 1997, has recently
announced a series of new contracts and relationships with other “limited service MCOs,”
according to a June 8 release. The chiropractic network has expanded its relationship with the
Scottsdale, Arizona, PPO HEALTHSTAR, and now provides services in AZ, AR, KS, LA, NV,
NM, OK, TX, and CO. ChiroSource also linked recently with Dallas-Texas based CAREington
INTERNATIONAL. On the Eastern seaboard, the firm locked up agreements with King of
Prussia, PA-based DEVON HEALTH SERVICES, INC., and its Washington, DC-based affiliate
ULLICARE, to provide PPO services to those firms’ 2 million members in DE, MD, NJ, NY, OH
and PA. The chiropractic network, headed up by RON CATALDO, president, and TODD
CATALDO, vice president, has also linked with Santa Cruz-based CAM network ALTERNANET
(Andy Miller at 831-375-9343) for broader CAM services. TODD CATALDO told THE
INTEGRATOR that the two firms are linked in a CAM benefit covered by the CITY OF SANTA
CRUZ. The Santa Cruz benefit is extremely broad, and includes “some vitamins, herbs,
naturopathy and massage,” according to Cataldo. Cataldo said ChiroSource has decided at this
time to not build other CAM networks internally, preferring to stick to their area of expertise.
ChiroSource has a “floating fee schedule” with the high end for a brief office call $42, and an
adjustment at $25. Additional therapies, up to two per visits, are priced at $10 each. Cataldo
noted that a survey of a teacher group served by his firm found that 34% used
chiropractic in a given year, a very high utilization rate. (Eisenberg found 11% of all consumers used chiropractic
in his 1997 data.) Cataldo observed that, in doing some recent credentialing in Massachusetts,
his firm recently found that treatment patterns were “excessive” compared to other areas of the
country. 925-672-5333

3 DEPARTMENT OF DEFENSE AND NUTRITIONAL SUPPLEMENTS

A DEPARTMENT OF DEFENSE research project has shown, to the ARMY’s satisfaction, that
soldiers with a liquid dietary supplement which adds calories to his or her diet performs better
than soldiers without. The Army may be making an energy rich bar and drink available “at many
Army bases and could be added to future rations.” The focus is on adding calories. Researchers
in Natick, Massachusetts, are also looking at the possibilities of a caffeine supplement and the
amino acid creatine. Vote is out. Army researchers are advising against use of certain
supplements until there is future research. On this list are; Ephedrine, Ginseng, Gingko biloba
and Andostenedione. Contact is HARRIS R. LIEBERMAN, deputy chief of military nutrition and
biochemistry the US ARMY RESEARCH INSTITUTE OF ENVIRONMENTAL MEDICINE, in
Natick.

4 RESOURCES

A. TAX AND LEGAL ISSUES IN EMPLOYER CAM COVERAGE

Vol. 25, #1 of EMPLOYEE LAW RELATIONS JOURNAL includes an article (pages 131-138) by
ELIZABETH RUTHERFORD, an attorney in Seattle’s offices of WILLIAM M. MERCER, on some
of the technical tax and legal issues in CAM coverage. Rutherford, contacted by THE
INTEGRATOR, states that coverage of botanicals and vitamins will not be tax exempt, since the
products -- like aspirin, which falls in the same category -- are readily available through sources other than by prescription from a conventional physician. Asked if this applied to physician-only supplement lines, Rutherford said that she assumed the definition of “prescription” would mean controlled substance. Rutherford takes the position that covered CAM services under ERISA must meet US DEPARTMENT OF LABOR guidelines on quality of services. On cost, she alludes to an unnamed colleague who says his unnamed client’s experience has been that the costs have been “complementary” (add-on). These themes were explored in the April issue of THE INTEGRATOR. For Rutherford: 206-292-7000.

B. BRIEF LIST OF ACUPUNCTURE IN PROFESSIONAL SCOPES OF PRACTICE

A brief synopsis of the status of state licensure for acupuncture, including whether or not acupuncture is in the scope of MD, DC, and ND practices, is in the July issue of ALTERNATIVE THERAPIES IN HEALTH AND MEDICINE. The authors, ROBIN LEAKE, MA, and JOAN BRODERICK, PHD, from the SUNY STONY BROOK CAM program headed up by SAM BENJAMIN, capture this, including number of hours, if any, needed for the other professions, in a one page chart. Acupuncture is in the scope of practice of the other professions as follows:

*** Chiropractic -- 21 states, more training required 16, range 50-400 hours
*** Medical Doctor -- 43 states, more training required in 11, range 100-300 hours
*** Naturopath -- 6 states (of 11 total license), more training 2, hours not listed

The typical, specialized training for a licensed acupuncturist in one of the 30+ accredited programs involves 1750 hours, with an additional 450 if training extended to “Oriental medicine” (botanicals, etc.). A more thorough report, as noted in an earlier News File, is the updated Acupuncture Laws text by BARBARA MITCHELL, LAc, JD, executive director of the NATIONAL ACUPUNCTURE ALLIANCE. Mitchell told THE INTEGRATOR that this volume also includes such insurance mandates as may exist. For Alternative Therapies: 800-899-1712. For Mitchell: 253-851-6896.

C. WAYNE JONAS CAM BOOK VIA LIPPINCOTT WILLIAMS AND WILKINS OUT

A CAM essentials book edited by WAYNE JONAS, MD, former director of the NIH (then) OFFICE OF ALTERNATIVE MEDICINE has just come out from LIPPINCOTT WILLIAMS AND WILKINS. Jonas e-mailed a number of individuals about the publication, a slimmed down version of an edited Textbook of Complementary and Alternative Medicine which was originally planned and on which Jonas has worked since 1996. Jonas told THE INTEGRATOR that LWW plans to move on the larger version again later this year. In a note, Jonas stated that the book is “specifically designed for conventional health care practitioners and training programs.”

4 SHORT NOTES

Some services of chiropractic network TRIAD have been granted accreditation status with URAC. The release has not come out from URAC, but the approved language is: “URAC accredited full network 3.0 standards with credentialing” ... AMERICAN WHOLEHEALTH NETWORKS has formally announced the opening of its California office, and the firm’s plan to seek Knox-Keene licensure as a California health plan ... Two responses on the ALTERNATIVE LINK CAM coding patent noted in News File #23: one was that “Alternative Link better have DEEP pocket” for lawsuits, and a second, from a firm which had their own lawyer independently analyze the patent, that the patent appears to be “very broad” and apply to “anyone using codes.” As noted, the August-September INTEGRATOR will explore this in detail. Any of your research and comments would be useful ... KMS ASSOCIATES, the CAM SEARCH people, are partnering with THE TIBER GROUP for a lengthy CAM program at the March 2000 AMERICAN COLLEGE
OF HEALTHCARE EXECUTIVES meeting ... The reportedly first ever accredited college to offer an Associate of Science degree in massage therapy will is the WESTERN INSTITUTE OF SCIENCE AND HEALTH, according to a release from the Rohnert park, California, institution. Students will have access to Title IV federal student aid. MARY HASTINGS, CMT, MA is heading up the program. The school also offers accredited PT assistant and OT assistant programs. (707-664-9267), westerni.org ... A June issue of NATURAL BUSINESS, a natural products industry publication, reported that its index of 69 publicly traded "natural businesses" was up for the first time since August of 1998 when the newsletter index lost 30%. The cited analysts linked the upswing to a correction, and some optimism for these stock. Botanical and dietary supplements were up 10% ...

End
INDUSTRY/HEALTH News File #24 July 9, 1999

__________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #25, July 26, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1  Contracts (Landmark/MVP, N-CAM -- 3 more)
2  NCCAM in 2 ND Appointees
3  Conferences (Nutracon, Ornish/NMHCC, Arizona/Duke, Group Health, plus)
4  Miscellaneous (Maurer/Crossroads, Hammerly/CHI, Tomusk)

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

____________________

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

____________________

1.  CONTRACTS

A  LANDMARK/MVP CHIRO DEAL FOLLOWING VERMONT MANDATE

In mud-July, LANDMARK HEALTHCARE announced a final agreement with MVP HEALTH PLAN under which Landmark will provide chiropractic services to MVP's 315,000 members in New York and Vermont. The release noted that in Vermont "the general assembly recently passed a bill requiring HEALTH insurance plans to provider COVERAGE for clinically necessary health care services' provided by chiropractors. Compliance begins October 1, 2000, but MVP has pushed the schedule forward to October 1, 1999. (The mandate follows a January 1, 19998 New York law.) Landmark, which served only 3.8 million members as of the interview 10 months ago for the 1998 INTEGRATOR CAM Network Executive Survey, is currently claiming 10 million members through "managed care and other innovative, transitional benefit designs.” The release
mentioned no other CAM services. Amy Ertel Bellcourt at MVP (800-777-4793) or Jana Saastad at Landmark (916-569-3326),

B. N-CAM ADDS TWO NEW CLIENTS

N-CAM, the national network of networks (featured in the July INTEGRATOR) has added two new clients: Diversified Group Brokerage, a National TPA serving self-funded employers which is based in Marlborough, Connecticut, and HEALTHCARE MEDICAL SOLUTIONS, a Gandview, Missouri firm which specializes in wholesale discounted products. For N-CAM: 914-932-8000.

C. KING COUNTY/WASHINGTON

A March 10, 1998, action of the KING COUNTY COUNCIL (Seattle, WA) required that the county executive submit a plan for adding more alternative medicine to the government’s employee benefits package. The policy stated that the county “shall facilitate the easier availability by County employees of natural and alternative medicine options.” The move was pushed by Councilmember Kent Pullen (R-South King County) at 206-296-1009.

2 NIH NCCAM APPOINTMENTS: TWO NATUROPATHIC PHYSICIANS

A notice to THE INTEGRATOR from the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS (AANP) announced that of 6 new appointees to the NIH’s NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE (NCCAM) advisory panel were two naturopathic physicians: LEANNA STANDISH, PHD, ND, and KONRAD KAIL, PA, ND. The action to expand the advisory body grew out of the late 1998 legislation which transformed the OAM into a full-fledged center. The legislation also required higher representation of the distinct CAM professions as advisors. Standish, co-director of the BASTYR UNIVERSITY research department was an appointee to the NIH’s original ad hoc advisory committee, but no naturopathic physicians had ever been asked to serve on the formal committee. Kail, with 15+ years of clinical experience, has held numerous leadership positions in the naturopathic profession, including the presidency and research chair for the AANP. He maintains a busy clinical practice in Phoenix, Arizona. The NIH has until these appointments preferred MDs who have CAM interests to those providers who are distinctly trained. The AANP’s executive director SHEILA QUINN and Bastyr’s associate dean for naturopathic medicine, PAMELA SNIDER, ND, were instrumental in placing language in the 1998 law which requires the distinct professions to be included. THE INTEGRATOR has not, at this time, names of the other appointees. For AANP: 206-298-0126.

3 CONFERENCES

A. NUTRACON: BRIEF REVIEW

The annual July NUTRACON conference, promoted by GLOBAL BUSINESS RESEARCH, is emerging as the leading meeting group of the now very diverse parties involved in the “nutraceutical” industry. The roughly 750 attendees (@ $1250 each) to the three day meeting included a mix of nutritional products firms, pharmaceutical companies, venture capital, academic, nutritional food interests, and etc. A show of hands at a keynote given by TOM AARTS, publisher of San Diego-based NUTRITION BUSINESS JOURNAL (NBJ - $795/yr) -- the leading publication for that industry sector -- suggested that less than half of those present were from the historic “natural products” industry. Among the track sponsors was HEALTH BUSINESS PARTNERS, a venture and mergers-and-acquisitions firm out of Rhode Island which targets the CAM industry. The high attendance level is interesting, particularly relative to the struggles in conferences targeting the service side of CAM integration. (The most recent similarly priced event on the services side, sponsored by AiC CONFERENCES, was canceled for lack of interest.)
Reasons may be: greater maturation of the integration process in the products arena, high dollars at stake, very high levels of consumer interest and use. For Nutracon: 800-868-7188

B. NMHCC: ORNISH TO BE FEATURED

DEAN ORNISH, MD, will be providing the opening keynotes for the NMHCC meeting October 17-20 in Los Angeles. His topic will be “Alternative Medicine and Practices: Creating new Models of care to get to the Heart of the Matter.” 8:30 AM – 9:45 AM. A seven session CAM track follows. 888-882-2500

C. NIH/AANP/OFFICE OF DIETARY SUPPLEMENTS

August 22-24, 1999. Three day focus on CAM for chronic liver disease. Lead sponsor is the National Institute of Diabetes and Digestive and Kidney Diseases, also co-sponsored by Mixed group of top-flight presenters. NIDDK CAM Workshop: 301-493-9674

D. DUKE/ U ARIZONA SCHOOL OF MEDICINE


E. GROUP HEALTH COOPERATIVE OF PUGET SOUND

October 29, 1999, Seattle. GHC is holding it's (nearly annual one day CAM event on October 29, 1999. Speakers include: LAURA PATON, MD, researcher DAN CHERKIN, PHD, individuals providers on the key disciplines, plus ALAN GABY, MD on nutritional medicine, LISA ALSHULER, ND on botanicals and TORY HUDSON, ND, on menopausal support. Clinical focus. DoubleTree Hotel at the Sea-Tac airport. $150. 206-326-3934.

F. MEDICAL DATA INTERNATIONAL/TIBER GROUP

August 30-31, 1999. Chicago, Il. A July 8 PR Newswire from MEDICAL DATA INTERNATIONAL (Santa Ana, California) announced the their 4th annual conference on "Growth Strategies and Business Opportunities in a Global marketplace.” The release noted CAM as a top trend in the marketplace. LISA ROLFE, a vice president with THE TIBER GROUP in Chicago will be presenting on CAM. Most of the conference is mainstream medical issues. $1195. 800-826-5759

4. MISCELLANEOUS

A. ROY MAURER with CROSSROADS ALTERNATIVE CARE has re-positioned his firm as a broker and consultant to health plans, rather than as a provider of strictly network services. Maurer anticipates serving health plans in such areas as product development, vendor selection, and ongoing oversight. Maurer and his partner MICHELLE KOSSEY each have over 10 years in group health insurance. 215-997-2835

B. MILT HAMMERLY, MD, who had a part-time position as director of CAM with CENTURA HEALTH, in Colorado, will hold a similar role for CATHOLIC HEALTH INITIATIVES beginning in August. Centura is part of the CHI network of health systems and Hammerly had previously served on the CHI national workgroup. Hammerly’s position will include helping coordinate CHI’s national efforts in the area, and working with CHI’s internal Resource Group on focused clinical use of CAM. Hammerly told THE INTEGRATOR that he anticipates looking at CAM’s role in lowering average cost of specific DRGs (303-778-5818).

C. ALISON TOMUSK, PHD, who headed up the COMMUNITY HOSPITALS OF INDIANAPOLIS CAM integrative clinic is no longer with the operation. According to a source close to this
operation, the issue was budget related. The clinic is still in operation, with JOHN BLACK, MD, who has always been the core clinician, in the lead role.

End
INDUSTRY/HEALTH News File #25, July 26, 1999

____________________________________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #26, July 29, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1  Consortium of CAM Medical Schools Meets/Fetzer Backed
2  CHP: Providence PPO, Massage and Practitioner Webpages
3  Alternative Link Creates 501c3 for Coding Terminology Control
4  NIH CAM Advisory Panel Initiated
5  Deaconess: CAM Consults with England Via Fax
6  Freeman in Key CAM Roles in Alaska
7  Two from U Arizona (Mini-conference report, personnel changes)
8  Publications: Springer Publishing CAM Line

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

____________________

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

____________________

1  FETZER SPONSORS CONSORTIUM OF CAM MEDICAL SCHOOLS

The Kalamazoo, Michigan-based FETZER INSTITUTE, is sponsoring a seminal meeting this week-end of a new consortium of medical schools with CAM programs. The development was noted by TRACY GAUDET, MD, executive director of the PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA. The Arizona program, founded by ANDREW WEIL, MD, is among those participating. Leadership on the meeting was provided by JON KABAT ZINN, PHD, with the program at the UNIVERSITY OF MASSACHUSETTS. Other programs invited to participate in this founding gathering were those at HARVARD, UCSF, STANFORD, DUKE, MARYLAND and MINNESOTA. Fetzer provided airfare and location, which Gaudet called "intentionally neutral ground." Each institution is represented by two program people plus a "power person" who is critical for the program’s efforts to win support within the broader institution. The intention, stated Gaudet, is to "come together and work in a collaborative way to shift things" in medical education. Fetzer has become known for its strategic investments in the integrative process, including support of the influential 1993 BILL MOYERS special on PBS, and the CME program led by DAVID EISENBERG, MD, at Harvard.
The summer edition of Portland, Oregon-based COMPLEMENTARY HEALTH CARE PLANS (CHP) has been selected by PROVIDENCE PREFERRED (formerly VANTAGE PPO) as its partner in offering alternative care riders to its contracted insurance plans. Providence’ PPO clients, which include CIGNA, PACIFIC HERITAGE ASSURANCE, AETNA HEALTH PLANS, ODS and others, suggest that CHP’s reach into the Oregon market may expand considerably, should these insurers choose to offer CAM products. CHP already contracts with Providence on its HMO product. In other CHP news, the network has begun credentialing massage therapists. As of January 1, 2000, the firm’s ChiroNet (DC) and NaturNet (ND) providers will be required to refer CHP clients to credentialed massage therapists. In addition, CHP is developing a program in which webpages for practitioners can be developed and maintained. Price to the practitioner is listed at $50 to $200 per year annually.

In a Byzantine world of coding, a new, obscure not for profit has recently been established: INSTITUTE FOR COMPLEMENTARY AND ALTERNATIVE NOMENCLATURE (ICAN). Yes You Can has long been part of the strategy of ALTERNATIVE LINK, the Albuquerque based firm which recently secured a patent for a CAM coding system, founder MELINNA GIANNINI recently told THE INTEGRATOR. “Although terminology development is part of the patent, we are donating it to that side,” Giannini stated, explaining: “We want it outside us, a provider driven, living document.” Terminology is the description of what each code means. Alternative Link worked with BETSY LEHRFELD of the SWANKIN AND TURNER firm in Washington, DC, to develop the organization. Lehrfeld and JIM TURNER, a long-time activist attorney with the acupuncture profession and a member of the board of the NATIONAL ACUPUNCTURE ALLIANCE are temporarily serving as the officers of the 501(c)3 organization. JUDY LEE, MBA, who has been working as director of research with Alternative Link is expected to leave the firm to become Interim Executive Director for the non-for-profit, according to Giannini. Alternative Link has committed 3% of its revenues to support of the foundation. ICAN is expected to be operational in three months. For Lee: JUDYL2001@aol.com.

A CANCER ADVISORY PANEL ON COMPLEMENTARY AND ALTERNATIVE MEDICINE (CAPCAM) has been established within the NATIONAL INSTITUTES OF HEALTH as a joint initiative of the NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE and the NATIONAL CANCER INSTITUTE. The panel “represents a vital step toward rigorously evaluating the efficacy and safety of various CAM cancer therapies,” according to NCCAM acting director WILLIAM HARLAN, MD. The first meeting was held July 8-9. Chair is ERNST WYNDER, MD, president and medical director of the AMERICAN HEALTH FOUNDATION in New York City, and policy advisory committee member for the AMERICAN CANCER SOCIETY. The initial 15 member includes MDs, PHDs, and RN, and a light sprinkling of representatives of the distinct CAM professions. For meeting information: 301-594-2013 or nccam.nih.gov

LIZ FREEMAN, PHD, an author, educator and mind-body researcher, is to become the head of a new INSTITUTE OF COMPLEMENTARY MEDICINE associated with the UNIVERSITY OF ALASKA, Anchorage. Freeman, whose COMPREHENSIVE TEXT OF COMPLEMENTARY MEDICINES AND ALTERNATIVE THERAPIES will soon be published by MOSBY, will also be part of the TRADITIONAL HEALING ADVISORY COUNCIL which is associated with the
outpatient wing of the ALASKA NATIVE MEDICAL CENTER, also in Anchorage. In the later role, Freeman will pull together scientific information available on the top 50 herbs in use for Alaska Natives. The ALASKA NATIVE HOSPITAL has taken on the unusual task of certifying tribal doctors to work with Western physicians. "An elders council is making the decisions," Freeman explained to THE INTEGRATOR. She noted that her colleague, RITA BLUMENSTEIN, is the first to have gained certification. Freeman was among the CAM Track speakers at the spring meeting of the NATIONAL MANAGED HEALTH CARE CONGRESS.

6  DEACONESS LINKS MDS TO NDS VIA FAX

According to MARY BETH DAVIS, RN, who heads up CAM exploration for DEACONESS HEALTHCARE, some physicians in her Southern Indiana region are integrative CAM via fax to and from a CAM clinical services in England. The clinical resource reviews records and makes suggestions for lab and treatment, which are then faxed back to the States. The providers are reportedly happy with the process. Southern Indiana is a region with few CAM resources. For Davis, who is an INTEGRATOR advisor: 812-463-7160

7  TWO FROM U ARIZONA PROGRAM IN INTEGRATIVE MEDICINE

A.  U ARIZONA VIDEO CONFERENCE: EIGHT SYSTEMS LINK

A July 28th three hour mini-conference last week on integrative medicine offered for CME credit through the UNIVERSITY OF ARIZONA PROGRAM IN INTEGRATIVE MEDICINE attracted eight satellite sites. Roughly 100 individuals were on hand at the auditorium in the University Hospital. Among organizations sponsoring sites were AURORA HEALTHCARE (WI), BETH ISRAEL HOSPITAL (NY), CUMBERLAND CENTER FOR NATURAL HEALTH (PA), CENTER FOR THE STUDY OF CAM/UNIVERSITY OF VIRGINIA (VA), ST. JOSEPH HEALTH SYSTEM (CA), INNER HARMONY WELLNESS CENTER, GREENWICH HOSPITAL (CT), and RIVERSIDE HEALTH SYSTEM (VA). Presenters includes ANDREW WEIL, MD, Tracy Gaudet, MD, RUSS GREENFIELD, MD, a graduate of the first Fellows class who is staying on with the program, and guest JOHN WEEKS, INTEGRATOR editor. 520-626-7222

B.  PERSONNEL CHANGES

Personnel changes at PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA: RICHARD LIEBOWITZ, MD, has taken the new position of medical director for the Program. Liebowitz, an internist, comes to the program with blue chip credibility within the medical center, having held a number of leadership positions on the conventional side. TRACY GAUDET, MD, remains on as executive director. SUE FLEISHMAN, a long-time associate of program founder ANDREW WEIL, MD, who played a leadership role in creating and/or developing the program's on-site and distance learning educational programs has left the program and is on a sabbatical looking into her next steps in integrative medicine. Some of her responsibilities in coordinating programs are being assumed by LINDA JOYCE, a newcomer to the PIM team. Russ Greenfield, MD, is also staying on with the program, where he is also involved in developing a consulting group. PHONE: 520-626-7222

8  PUBLICATIONS: SPRINGER PUBLISHING EXPANDS CAM LINE

A peer reviewed journal entitled ALTERNATIVE HEALTH PRACTITIONER: THE JOURNAL OF COMPLEMENTARY AND INTEGRATIVE HEALTH CARE is published three times each year by SPRINGER PUBLISHING COMPANY (NY) and is currently in its 5th volume. The editor is RENA GORDON, PHD, with ARIZONA STATE UNIVERSITY EAST ACADEMIC CENTER. Springer's other related publications include a volume on CAM therapy in nursing, and A TOTAL

End
INDUSTRY/HEALTH News File #26, July 29, 1999

________________________________________________________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #27, August 6, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 Pew Commission: Plans, Systems Urged to Use Midwives
2 Year 2000 CAM Benefits Watch (United, Independence Blues, Texas/Illinois Blues)
3 Shakeout in N-CAM: 1/2 of Network Partners Exit
4 Federal Legislation in Process (Veterans/Chiros, Food Stamps/Dietary Supplements)
5 Conferences (U PA/Academics & CAM, Stanford-Harvard seeks sponsors)

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

____________________

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

____________________

1 MIDWIFERY GIVEN STRONG THUMBS UP BY PEW COMMISSION

A 1998 TASK FORCE ON MIDWIFERY convened by the PEW HEALTH PROFESSIONS COMMISSION and the CENTER FOR HEALTH PROFESSIONS and UNIVERSITY OF CALIFORNIA SAN FRANCISCO recently endorsed midwifery as “an essential element of comprehensive health care for women and their families that should be embraced by, and incorporated into, the health care system and made available to all women.” The 14 recommendations of the multi-disciplinary Task Force include: state legislation granting independence to midwives (removing them from supervision, allowing them to own or co-own practices); Medicaid coverage; HMO inclusion and coverage; and a variety of specific research topics. The report alludes to the distinctions between nurse midwives, who generally have hospital based practices, and direct entry “European style’ midwives, who in the US frequently provide home birth services. However, the issue of home birth -- not only thinking but delivering “out of the box” -- is not specifically mentions. For a full report: 415-476-8181 or futurehealth.ucsf.edu

2 Y2K CAM BENEFITS WATCH: UNITED, BLUES PLANS NEARING DECISIONS

A. UNC EXPECTED TO ANNOUNCE CAM SELECTION BY AUGUST 31
UNITED HEALTHCARE, the national HMO, is expected to announce its selection(s) of outside contractors for CAM services by August 31, according to JACKIE DORNFELD, director of UNITEDHEALTH NETWORKS. Vendor selection on the firm’s 15 million covered lives was to have been finalized by July 31, but was held up for a variety of reasons including the complexity of the decision internally, the amount of information from the 13 firms which responded to the RFP, and vacations of key decision makers, Dornfeld told THE INTEGRATOR. UNC’s list of potential vendors “began with [THE INTEGRATOR] list” in the 1998 CAM Network Executive Survey (Dec-Jan, 98-99), stated Dornfeld, but also included a couple firms which independently contacted the HMO. The RFP made clear that firms may be selected for a part of UNC’s service area, or for just one or more CAM specialty service (discount, standard benefit, supplemental rider, plus retail products such as health catalogs, information, websites, etc.) The firm reportedly asked respondents if they view CAM as an addition to or a replacement for conventional services. Some companies have wondered whether UNC was using the RFP process as mere fact-finding about the industry and may choose to take some services in-house. Asked if AMERICAN WHOLE HEALTH NETWORKS had a leg-up on the competition based on a stake which VALIDUS, the firm’s investment arm had made in AWH in 1998, Dornfeld replied: “We’ve felt that with the distance between (the investment firm) and us -- management is separate from the business segments -- it’s not necessarily something that necessarily factors into the equation.” Validus, stated Dornfeld, is also known as UNITEDHEALTH CAPITAL, which provides start-up and venture money in early stage, health related firms.

B. BLUE CROSS OF ILLINOIS AND TEXAS CLOSE ON CAM NETWORK SELECTION

A spokesman with corporate consulting inside BLUE CROSS BLUE SHIELD OF TEXAS told THE INTEGRATOR on August 4 that this firm is presently “looking over the financials” of possible vendors for what is expected to be an affinity CAM product. BCBS Texas is owned by HCSA -- Health Care Services Corporation -- which also owns BLUE CROSS OF ILLINOIS. The selected network will also serve the Illinois firm. MARIE STECKBECK is heading up the decision process. 972-766-6904

C. INDEPENDENCE BLUES IN SELECTION PROCESS

INDEPENDENCE BLUE CROSS is nearing selection of its network partner on a CAM affinity/discount product for its 4 million members in its tri-state (PA/NJ/Del) service area. SUSANNE FORD is heading up the exploration states that the firm has been evaluating “buy versus build” strategies following a move two years ago in which an uncredentialed directory of acupuncturists, massage therapists and nutritionists was developed in-house. The Blues plan had developed the directory by simply mailing out letters to providers who agreed to discounts of “up to 40%.” Ford said that the firm plans to “buy” the services of an outside firm, but that the decision will ultimately be made in the context of its year 2000 budget. The insurer has 70% of the tri-state market around Philadelphia (1 million HMO lives, 1 million PPO and 4 million total lives). The Blues plans are part of AMERIHEALTH, which also operates in the Virgin islands, Puerto Rico, Jamaica and certain areas of Florida and Texas. 610-225-9543

SIDE-NOTE ON DISCOUNT PROGRAMS: A brief article in MANAGED CARE OVERVIEW, a publication of the NATIONAL CHIROPRACTIC MUTUAL INSURANCE COMPANY refers to “largely meaningless” discount programs on alternative medicine as the “CAM scam.”

3. SHAKE-OUT WITHIN N-CAM: 1/2 OF PARTNERS EXIT

N-CAM, the national network of networks which has been reported in the News Files and in the July INTEGRATOR is in a process of significant reformation. The move grew out of a re-focusing of the organization following purchase of a 50% stake in the firm by AMERICAN WHOLEHEALTH NETWORKS. A weekend meeting of network partners at AWHN headquarters in late July immediately precipitated the shuffling of memberships. Those terminated or removing affiliation
tend to be firms with either significant managed care experience or networks which are least invested in managed care standards. AWHN CEO JAY MASON indicated that the reason for the reshuffling related to "unwillingness of some partners" to agree to N-CAM's plans, adding: "There's fallout on both sides of the spectrum." Leaving are: COMPLEMENTARY HEALTHCARE PLANS, COMPREHENSIVE HEALTH GROUP, INTEGRATED HEALTH PLAN, OPTIMUM HEALTH SERVICES, WELLNESS USA. Status is not yet clear with COMMONWELL. The top issues of concern were "a combination of business requirements" including credentialing, network expansion and marketing, AWHN president RAY SEAVER told THE INTEGRATOR. Other issues noted by different parties were competitive concerns of some partners, as well as concerns about N-CAM management structures. Some of the firm's affiliates are likely to step up into partner position. AWHN's JAY MASON says that the organization is setting up work groups on governance, pricing and contracts. Decisions by these groups will create guidelines for bringing in new network members. ELIZABETH MANZOLILLO, N-CAM's founder comments that the developments are expected to "create as more flexible structure for participation while adding greater value" to the remaining network partners.

4. FEDERAL LEGISLATION

A. FOOD STAMPS PROPOSED FOR DIETARY SUPPLEMENTS

US Senators TOM HARKIN (D-IA), ORRIN HATCH (R-NV) and MITCH CONNELL (R-KY) introduced a bill last month which would allow recipients of food stamps to use them to purchase dietary supplements. Backers of the bill include the NATIONAL OSTEOPOROSIS FOUNDATION, NATIONAL NUTRITIONAL FOODS ASSOCIATION and the SPINA BIFIDA ASSOCIATION OF AMERICA. The bill is called the FOOD STAMP VITAMIN AND MINERAL IMPROVEMENT ACT OF 1999.

B. VETERANS AND CHIROS

Legislation to includes creating of a policy on a chiropractic option for patients in the VETERANS ADMINISTRATION health plan successfully cleared the HOUSE VETERANS AFFAIRS COMMITTEE on July 15, 1999. A provision has been included in HR 2116, the VETERANS MILLENNIUM HEALTH CARE ACT, which would require the VA to develop a policy on utilizing chiropractic in the system. The policy is to be developed within 120 days of passage of HR 2116. The AMERICAN CHIROPRACTIC ASSOCIATION and the ASSOCIATINO OF CHIROPRACTIC COLLEGES have teamed on the lobbying. The House has not yet acted on this committee recommendation.

5 CONFERENCES

A. The OFFICE OF PROGRAM DEVELOPMENT and the CENTER FOR BIOETHICS of the UNIVERSITY OF PENNSYLVANIA in collaboration with the NIH NCCAM are sponsoring what they are billing as an international conference entitled "Complementary and Alternative Therapies in the Academic Medical Center; Issues in Ethics and Policy." November 10-12, 1999, in Philadelphia. $395, before October 18. 17 Category 1 CME credits. Sterling list of top flight speakers. For information on faculty and the conference brochure: www.med.upenn.edu/bioethics/ or call 215-898-6400.

B. STANFORD/HARVARD Conference is seeking donor-sponsors. This first ever, academic institution sponsored meeting on the business of integration will be held in San Francisco on October 15-17. Three major donors ($25,000) have been lined up, according to Stanford's KEN PELLETIER, PHD, an INTEGRATOR advisor: AMERICAN SPECIALTY HEALTH PLANS, MICROMEDEX and METABOLIFE. They are looking for additional major donors as well
as “other support provided by” sponsors ($10,000 plus). Contact Katrina Bates, conference
planner: 781-279-9887.

End
INDUSTRY/HEALTH News File #27, August 6, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #28, August 13, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. Group Focused Services at St. Charles, Bend, Oregon
2. Columbus Regional Hospital (IN) Opens CAM Clinic
3. Bienestar Establishes California Office
4. WholeHealth Educators: Meeting a Need for Patient Advocacy?
5. ACA Data Suggests Chiropractic is Disappearing in Medicare Managed Care
6. Miscellaneous (DeNucci/NextHealth), AWHN/QVS, plus ...)

THE INTEGRATOR

for the Business of Alternative Medicine

(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your
name as the source is not attached to it UNLESS you specifically say that you would like to be
identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1 GROUP-FOCUSED SERVICES: STRUCTURE AND OUTCOMES OF MEDICAL
SYMPTOM REDUCTION PROGRAMS AT ST. CHARLES MEDICAL CENTER

Early outcomes for the first three groups of patients in the Medical Symptom Reduction Program
(MSRP) offered by the CENTER FOR HEALTH AND MEDICINE at the ST. CHARLES MEDICAL
CENTER in Bend, Oregon, are very positive. The 10-week group-focused programs, developed
in part by consultant EILEEN STUART, RN, MS, an INTEGRATOR advisor, include individualized
work with a Health Coach (an RN) and individual sessions on diet and exercise. However, clinical
focus is an interactive group education model in 10, 3-hour sessions. (For general background,
see the March 1998 INTEGRATOR on group-focused services.) The intent of the programs is described in program literature as: "educate and empower the individual to be more accountable for his/her personal health, and to provide support in making healthier life choices." Directly targeted cost-related outcomes include decreased dependency on the medical system and decreased need for medications. The group format is not condition-specific. The first three sessions (73 individuals) included individuals with many diagnoses, and many with multiple health conditions. Tops were stress management (56), high cholesterol (45), hypertension (40), fibromyalgia (21), obesity (21), gastrointestinal (12), chronic pain due to injury (12), depression (12) and 9 others. The outcomes include:

*** Average decreases across the board for all participants were: cancer risk factors (33%), blood pressure (20%, w/o medication), cholesterol (20%, w/o medication), weight (10%), cardiac risk factors (7%), alcohol use (7%).

*** Positive changes appearing as increases were: fitness scores (25%), sense of well-being (24%), nutrition scores (18%) and ability to cope with stress (17%).

The Center in Oregon also offers spin off, one day Life Choice programs and individual Health Coaching. Full package for the 10-week program includes: comprehensive intake assessment (RN), 30 hours of class time, workbook, textbook, relaxation tape, four 1-hour Health Coach (RN) sessions, a one-time nutritional counseling (RD), a one-time fitness evaluation and personal exercise program (exercise physiologist/RN), and ongoing oversight by the program's medical director. All prescriptions come not through the program but via the participant’s primary care provider. The medical director is Michael Harris, MD.

Stuart, who consults nationally on creating group-focused programs, is a clinician-researcher-program developer who spent 15 years heading up the successful, widely published group-focused cardiovascular programs associated with the MIND-BODY MEDICAL INSTITUTE at HARVARD UNIVERSITY. Her present work is a grant-funded effort focusing on modifying programs to fit the schedules and needs of underserved, lower income populations. For the Center: Debra Harris, RN 541-385-6390. For Stuart: 617-325-4395

2 COLUMBUS REGIONAL OPENS CAM CLINIC

COLUMBUS REGIONAL HOSPITAL in Columbus, Indiana, opened an Integrated Medicine Center on July 7. The Center grew out of a pilot project in complementary therapies at the hospital’s Cancer Center. Positive responses from patients who "rated improvements in their general well-being" led the institution to expand services to all patients, according to a fact sheet. Services include acupuncture, acupressure, biofeedback, herbs, mind-body, massage, nutritional counseling, spiritual meditation and stress reduction. No medical doctors are on sight and the two acupuncturists commute from Indianapolis. Acupuncture is the only service which requires a physician referral. The clinic is positioned as working "in partnership with a patient's physician ... not a substitute." Manager is DEANA TUELL, RN, OCN. 812-375-3750

3 BIENESTAR OPENS CALIFORNIA OFFICE

A west coast division has been opened by BIENESTAR, the Mt. Tremper, NY, CAM firm specializing in network-delivered discount products. The office is located in San Ramon, and headed up by CAROLE ROGERS, regional director. A Bienestar release from July 30 noted Rogers has "30 years of experience in managed care and complementary medicine." Bienestar, now in its fourth year in the market, claims 100,000 lives covered by one of its products. The firm’s $75 credentialing fee for providers has been waived for the first year in the California
market. The firm is seeking to include in its California network "primary care physicians and chiropractors who serve as care managers," as well as acupuncturists, massage therapists and "other modalities." The firm is offering its credentialing application online to providers, who will be submitted to verification, stated the release ED ULLMAN is president of the firm, which began by offering discount cards in the New York and Florida markets. bienestarinc.com or 888-393-2436

4 WHOLE HEALTH EDUCATORS: NEW PERSONNEL TO COACH PATIENTS?

Physician reimbursement doesn't allow the time for patients. Task intensity in nurse rotations can limit their role as patient support. CAM introduces new complexities and options into treatment. One strategy for filling such gaps in whole person patient education is being promoted by the NEW ENGLAND SCHOOL OF WHOLE HEALTH EDUCATION (NESWHE). Many of the school's 600 certificated graduates are currently serving diverse medical, hospital and CAM practices as patient educators and triage support, according to founder GEORGIANA DONADIO. The school, licensed by the Department of Education of the COMMONWEALTH OF MASSACHUSETTS, is a 2-year "career training program" which includes a 250-hour internship. NESWHE's espouses a philosophy of approaching healthcare "from a whole person oriented philosophy which is educational, focused on disease prevention and, to the extent possible, fully engages the participation of the individual in their health experience." Founder Georgiana Donadio, a trained nutritionist and chiropractor, adds that the goal is to create a "model of patient education based on unconditional presence and respectful listening which invites people into their own healing and self-management." Donadio says her Whole Health Educators have been covered by 4 of the 12 Self-Insured Trust Funds administered by MODERN ASSISTANCE PROGRAMS, INC, a medical care management company based in Quincy (617-773-4288). The trusts include HOTEL AND RESTAURANT WORKERS LOCAL 26, AUTOMOBILE WHOLESALERS ASSOCIATION OF NEW ENGLAND. The school has partnered with ALTANTICARE MEDICAL CENTER in Lynn, Massachusetts, to research the outcomes of Whole Health Educators in cardiac rehabilitation. In another collaboration, UNION HOSPITAL, also in Lynn, is moving forward to establish a new department of Whole Health Education. The one-on-one model has a patient meeting in six sessions with an AWE. Course work for the NESWHE program links nutrition, stress reduction and mind-body ideas. Price is $9000. Donadio told THE INTEGRATOR that NESWHE is working on a distance learning model for the program. 617-247-0896

5. CHIROPRACTIC "DISAPPEARING" IN MEDICARE MANAGED CARE?

The AMERICAN CHIROPRACTIC ASSOCIATION has learned through Freedom of Information Act (FOIA) requests to HCFA that three major Medicare HMOs have "effectively eliminated" chiropractic services from their care of seniors. In PACIFICARE OF CALIFORNIA, just 38 beneficiaries out of 390,000 enrollees saw DCs. The numbers were 127 of 63,561 in Pacificare of Texas and 399 OF 32,270 in KEYSTONE HOMO in New Jersey. The ACA released notes that in FFS Medicare, 4-5% of seniors use chiropractors. (Note that studies by BCBS COLORADO and STANFORD in the last two years have found roughly 40%-50% of seniors use CAM, with chiropractic ranked as the therapy most desired for coverage.) ACA president MICHAEL PEDIGO, DC, places blame for this trend on the "medical physician dominated agencies and HMOs," calling them "a direct threat to the health, welfare and safety of senior citizens." The FOIA request was part of the ACA's ongoing battle with HCFA over the status of chiropractic in Medicare HMOs under Medicare + Choice plans. An OFFICE OF THE INSPECTOR GENERAL survey of 1991-1992 data on chiropractic in Medicare managed care found that medical gatekeepers tend to make referrals to chiropractors 0.5% of the time, roughly a factor of 10 (87% drop) from use in FFS Medicare. The report also found that 29% of plans responded that physical therapists delivered manipulation services.
6. MISCELLANEOUS

A. JOSEPH DENUCCI, who formerly headed up the CAM program at BAPTIST ST. VINCENT HEALTH SYSTEM in Jacksonville, Florida, is presently on leave in Tucson, where he is serving as executive vice president for NEXTHEALTH and as general manager for MIRAVAL (Life In Balance), a health-oriented destination which Conde Nast magazine recently proclaimed one of the best places to stay "in the whole world." NextHealth owns Miraval. The resort, distinguished by a focus on assisting its guests in finding balance, offers a wide array of natural health and fitness offerings. DeNucci, an INTEGRATOR advisor, is working to heighten the profile of Miraval in the integrative medicine and natural health community. The resort is used by JON KABAT ZINN, PHD, and other CAM healers for high-end retreats. 520-825-4000.

B. AMERICAN WHOLEHEALTH NETWORKS has chosen to participate in the primary source credentials verification program of the AMERICAN CHIROPRACTIC ASSOCIATION. The program, QVS, is just over a year old. AWHN is the first national network managing chiropractic to sign on. ANDREW AHO, AWHN’s VP for sales and marketing, was until recently with the ACA. For info on QVS: 800-986-4636

C. EX ARIZONA CENTERS FOR HEALTH AND MEDICINE (ACHM) personnel are finding new roles in and outside CAM. HOWARD SILVERMAN, MD, the last medical director for ACHM before the CATHOLIC HEALTHCARE WEST clinics were closed in April of this year, is now director of special projects for the medical education department at GOOD SAMARITAN REGIONAL MEDICAL CENTER in Phoenix. Silverman’s position is set up to allow him to work broadly with residents and fellows on CAM areas and other topics. PHYLLIS BIEDESS, who ran the ACHM program until the spring of 1998, has been appointed director of Arizona’s managed Medicaid office by Arizona GOVERNOR JANE HULL.

D. A follow-up call with BLUE CROSS BLUE SHIELD OF TEXAS indicated that AMERICAN SPECIALTY HEALTH PLAN has the inside track on the discount product the Texas Blue are considering in conjunction with the Illinois Blues plans.

E. CORRECTION on the June INTEGRATOR story on MEMORIAL HERMANN HEALTHCARE. DAN WILFORD, president of the system, is not a medical doctor. RICHARD MATERSON, MD, was with the NATIONAL REHABILITATION HOSPITAL in D.C., not the National Institutes of Health. Contact at Memorial is MARY HELEN MOROSKO, LMFT: 713-744-2062.

F. NANCY WEISE, DO, the physician who headed up the CAM exploration team at CIGNA ARIZONA, is moving to Houston to work with the CIGNA office there. Her responsibilities are not expected to focus on CAM. MICHELLE REDMOND, who staffed CAM work, will be taking a new position with the firm but hopes to take CAM responsibilities with her.

G. NATURAL PRODUCTS FIRM INKS AGREEMENT WITH INTEGRATIVE CLINIC

A July 29 release from NATURAL HEALTH TRENDS CORPORATION (Nasdaq:NHTC) announced an agreement between the firm and THE ALLIANCE INSTITUTE FOR INTEGRATIVE MEDICINE, in Columbus, Ohio, under which the Alliance agreed to "conduct and monitor research data" on some NHTC products. The firm’s proprietary products include Enzogenol, and sports and arthritis creams. The Alliance Institute has over 40 providers and has been ranked one of the nation’s top integrative clinics by NEW AGE magazine.

H. GROUP POSITIONS FOR HOLISTIC RESOURCE CONSULTING IN PA
The HOLISTIC THERAPIES RESOURCE GROUP, INC. has been established to offer consulting services on CAM programs in the Philadelphia area. The target client is hospitals and assisted living facilities that wish to implement "a holistic therapies program." Founder NANCY SAXE is positioning her firm as a one-stop consulting service for credentialing providers, developing programs and supplying educational classes. 215-345-5668

End

INDUSTRY/HEALTH News File #28, August 13, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #29, August 20, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. AAHP Notes CAM in Two Women’s Health Monographs
2. Clinic Revenue for 10,000 Square Foot Facility
3. Consumer Health Interactive in BCBS MA AHealthyMe.com
4. Landmark Healthcare: Two in Hawaii
5. InfiniteHealth Healing Center to Shut; Network to be Sold
6. New MD-Acu Programs Being Offered
7. Conferences (U Arizona/CAM Pediatrics, Hooper Lundy Bookman, IFM, Qigong)
8. Publications (American Health Consultants, Integrative Medicine Communications/Pharmacy)
9. Miscellaneous (Chirosource, Calabrese/Rexall-Sundown, ASHP-Texas Blues)
10. Next Newsfile on 9/3

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1. AAHP NOTES CAM IN BROCHURES FOR 2 WOMEN’S HEALTH GUIDELINES

A recent cover-to-cover reading of the July-August issue of HEALTHPLAN magazine provides evidence of just how much CAM has become a touchstone in managed medicine’s conversation. The magazine is published by the AMERICAN ASSOCIATION OF HEALTH PLANS (AAHP), the leading industry organization for managed care. The issue describes AAHP monographs on “Best Practices in Women’s Health Care” and includes a list of 10 questions each, on a range of conditions, which consumers can use to distinguish good plans. The monographs on breast cancer (support groups) and “mid-life women’s health issues” include affirmative reference to CAM as part of “exemplary care” for women. In related news, a “Chronic Care Checklist” in an article in the same issue entitled “Reinventing Managed Care for the Chronically Ill” positively references CAM in a section on promoting more aggressive self-care. Finally, an opinion piece on the subject of medical necessity by RANDOLF SMOAK, Jr., MD, president of the AMERICAN
MEDICAL ASSOCIATION, lambasted plans for covering CAM as a supplementary rider. He argued that CAM, “for which little scientific evidence exists,” proves that plans are “more interested in premium income than treatment outcome.” The articles were in Healthplan, July-August, 1999. Information on the AAHP monographs are available through Karen Helsing at khelsing@aahp.org (202-778-3200). The article on chronic care is from Richard Bringewatt, president of the NATIONAL CHRONIC CARE CONSORTIUM, an alliance of 37 health systems in the US.

2. CLINIC REVENUE DATA FROM 10,000 SQ FT FACILITY

The 10,000 square foot COLVILLE HEALING ARTS CENTER hit operational breakeven on its roughly $100,000 monthly budget in its 12th month of operations. The for-profit clinic, headed by LON HATFIELD, MD, and GEORGE CARNIE, CEO, includes a wide array of modalities and contracted practitioners, plus a significant pharmacy. Core contributors to a recent monthly revenue profile include: DO = $25,000 (no conventional medicine; body work focus -- the clinic has no chiropractors); ND = $17,000 (primary care); MD = $15,000 (Hatfield is only part time in practice); and a combined acupuncturist-physical therapist = $12,000. The natural products pharmacy, established as a separate corporation, generated $13,000 in revenues. Another $5,000 was attributed to pharmacy, with the rest a variety of additional CAM services. Conventional primary care accounted for just 10% of the practice. Three-fifth of the patients are self-referred. A significant portion of revenues (65%) are traditional indemnity. Hatfield, a respected practitioner in his region for many years, attributes part of the clinic’s ability to gain coverage to the relationships he has built with insurers: “I work closely with major insurers so they can hear what we are doing and tell them how to language it for them.” Hatfield, for instance, will help to convert Traditional Chinese Medicine diagnoses into Western diagnoses. The clinic, which is located in a rural area north of Spokane, Washington, will be in the third round of initiatives featured in the INTEGRATOR’s Integrative Clinic Benchmarking Survey. 509-685-2300

3. CONSUMER HEALTH INTERACTIVE IN DEAL WITH BCBS MASSACHUSETTS

Following development of a consumer-oriented website, in concert with CONSENSUS HEALTH, for BLUE SHIELD OF CALIFORNIA last year (Mylifepath.com), CONSUMER HEALTH INTERACTIVE (CHI) has contracted with BLUE CROSS BLUE SHIELD OF MASSACHUSETTS for a similar product, this one supporting, in part, a CAM discount offered through CAM network LANDMARK HEALTHCARE. The site for the Massachusetts members is AHealthyMe.com. CHI is a division of BABYCENTER, INC., a website (BabyCenter.com) which focuses on pregnancy. Landmark has a discount contract in Massachusetts.

4. LANDMARK HEALTHCARE: TWO IN HAWAII

Two August 10 releases from Sacramento-based LANDMARK HEALTHCARE announced new contracts for the CAM network in Hawaii. One is with UNIVERSITY HEALTH ALLIANCE, a 10,000-member plan which allows members to use acupuncturists as part of a supplemental benefit. The benefit design does not require referral from a primary care physician. The second, with KAPI'OLANI HEALTH HAWAII, gives the 30,000 members access to Landmark’s network as a discounted benefit and provides the HMO an opportunity to sell a combined acupuncture and chiropractic rider to employer groups. For Landmark: 916-569-3326; for UHA: uhahealth.com; for KHH: kapiolani.org.

5. INFINITE HEALTH HEALING CENTER AND NETWORK TROUBLED
A source close to the INFINITE HEALTH HEALING CENTER, formerly the HEALTHEAST HEALING CENTER in Minnesota’s Twin Cities, has told THE INTEGRATOR that the 6,500 square foot facility and its associated CAM network may shut their doors by the end of the month. The clinic, founded by CHRIS FOLEY, MD, had not reached profitability when it was purchased in 1998 by InfiniteHealth. The firm's network, founded in 1996 and pre-dating the clinic acquisition, has worked closely with the HEALTH PARTNERS HMO and was slated to be part of open enrollment for at least five large employers this fall. The firm is reviewing offers for possible acquisition or investment. 612-574-7267

5. NEW PROGRAMS FOR EDUCATING MD/DO/DDS IN ACUPUNCTURE

Physician acupuncture education has been dominated by "the Helms course’ at UCLA started by JOSEPH HELMS, MD. The program combines onsite education with distance learning. Other institutions are entering the field. The USC DEPARTMENT OF FAMILY MEDICINE is starting a similar course or 1999-2000 entitled: “Chinese Acupuncture for Physicians: Scientific Basis and practice.” The course is being offered in partnership with CIGNOLINI AND ASSOCIATES with the onsite components held in Santa Barbara. 120 AMA category 1 credits; $4000. Contact: Dr. Tom Burgoon: 610-399-1446. In addition, NEW YORK MEDICAL COLLEGE has a 300-hour certificate program in acupuncture for MD, DOs and DDS’s, which is approved by New York State. Running for March-December, the program currently has 35 students. The leadership is reportedly looking at offering a similar program to cross-train chiropractors. The program is headed by RAVINDER MAMTANI, MD. A related CAM clinic is located at the WESTCHESTER MEDICAL CENTER. 914-594-4378

6. CONFERENCES

A. A three day session INTEGRATIVE PEDIATRIC MEDICINE is being offered by THE UNIVERSITY OF ARIZONA DEPARTMENT OF PEDIATRICS. Keynoters include KATHI KEMPER, MD, JON KABAT-ZINN, PHD and ANDREW WEIL, MD. A co-sponsor is the AMBULATORY PEDIATRIC ASSOCIATION SPECIAL INTEREST GROUP ON HOLISTIC MEDICINE. The conference is being billed as “the first annual.” The University was the recipient of a major NIH NCCAM grant for pediatrics. Other co-sponsors are THE UNIVERSITY OF MINNESOTA CENTER FOR SPIRITUALITY AND HEALING, and THE CENTER FOR HOLISTIC PEDIATRIC EDUCATION AND RESEARCH at CHILDREN’S HOSPITAL in Boston. February 18-20, 2000. pedsimc@peds.arizona.edu

B. The California health care law firm of HOOPER LUNDY & BOOKMAN is offering half-day seminars on CAM integration in San Francisco (September 21) and Los Angeles (September 22). Speakers include KAREN VILLENUEVA (THE CAMDEN GROUP), ERIC LEAVER (AMERICAN WHOLEHEALTH NETWORKS), two leaders with EISENHOWER MEDICAL CENTER and INTEGRATOR editor JOHN WEEKS. The initiative is headed up by ANGELA MICKELSON, a partner with the firm who has been actively involved with various CAM initiatives in recent years. Fee is $50. For Mickelson: 310-551-8170; to register: 310-551-8117.

C. The INSTITUTE FOR FUNCTIONAL MEDICINE (IFH) has announced its 1999-2000 intensive programs for re-educating physicians into the basics of “functional medicine.” Three sessions, each eight days in length (two four day segments), are being offered. IFH was founded by nutritional medicine pioneer JEFFREY BLAND, PHD, of HEALTHCOMM. 800-228-0622 or fxmed.com

D. Those interested in exploring QIGONG’s role in health services will be interested in the Third World Congress, November 19-21 in San Francisco. The most recent Congress reportedly drew 700 attendees from 16 countries, including 65 speakers. eastwestqi.com
7. PUBLICATIONS

A. ALTERNATIVE MEDICINE BUSINESS REPORT, a monthly publication from AMERICAN HEALTH CONSULTANTS, has undergone a name change to NUTRACEUTICAL BUSINESS REPORT. The high-end publication ($535) has targeted venture capitalists and investors in the natural products industry. The title more closely reflects the newsletter’s original and actual focus. AHC also publishes the highly successful ALTERNATIVE MEDICINE ALERT.

B. Boston-based INTEGRATIVE MEDICINE COMMUNICATIONS has introduced a new newsletter targeting pharmacists entitled THE INTEGRATIVE PHARMACY. The editor-in-chief of the eight page monthly is JUNE REIDLINGER, PHARM D, RPH. Advisors include AMERICAN HOLISTIC MEDICAL ASSOCIATION founder ROBERT ANDERSON, MD, former board member and Connecticut Society president for the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS, ENRICO LIVA, ND, RPH, and MARK BLUMENTHAL (AMERICAN BOTANICAL COUNCIL). IMC co-publishes the COMMISSION E monographs on botanical safety and efficacy with Blumenthal's organization. Monthly, eight pages, $149/year. 617-641-2300.

8 MISCELLANEOUS

Clayton, California-based CHIROSOURCE, has formed a link with HEARPO CORP, a provider of hearing benefits, as an ongoing part of the firm’s partnering for discount services nationwide. HearPO, a subsidiary of SONUS CORP, is the largest provider of hearing benefits nationally, according to the ChiroSource release. For ChiroSource: 925-672-5333; for HearPO: 312-464-1711.

CARLO CALABRESE, ND, MPH, one of the leading research scientists in the naturopathic medical profession, will be leaving the research department which he has co-chaired at BASTYR UNIVERSITY to assume a position as a research scientist with REXALL-SUNDOWN, a manufacturer of nutritional products. Calabrese was principally responsible for managing and growing a research department which has been the dominant research player in natural medicine-based institution. Bastyr was one of the first two NIH CAM sites. With Rexall, Calabrese will oversee an annual research budget which is reportedly in the $2-$4 million level.

The UNIVERSITY OF SCRANTON Department of Health Administration and Human Resources has invited INTEGRATOR editor JOHN WEEKS to keynote a meeting on November 10, 1999. The meeting is being supported by a local Blues organization.

A source with BLUE CROSS BLUE SHIELD OF TEXAS told THE INTEGRATOR that AMERICAN SPECIALTY HEALTH PLAN is the network with the inside track on securing a contract to provide what is expected to be largely discount services for the Texas Blues and their Illinois affiliate. See Newsfile #27.

9. NEXT I/H NEWSFILE ...

The Next Newsfile, #30 will be shipped on September 3. Gone camping with the family!

End
INDUSTRY/HEALTH News File #29, August 20, 1999

________________________

INDUSTRY/HEALTH SUBSCRIBER

SPECIAL FOCUS: OPTIMAL INTEGRATION AND CURRENT NETWORK/HMO MODELS
Hello friends and colleagues. I created the document below as a backdrop for a discussion which I will moderate between four network executives at the NMHCC West. It occurred that some of the rest of you might find the orienteering process of looking at these questions useful. I also know that I would relish any of your ideas and responses.

As always, your feedback is welcome -- in this case, solicited! I will assume you comments are off the record unless you let me know that you are comfortable being cited. Depending on response, I may compile some comments as part of a feedback loop.

-- John Weeks, Editor

Session 2: The State of CAM Coverage: Where Are We Headed?

Discussants:
George DeVries, CEO, American Specialty Health Plans
Rod Laughlin, CEO, Alignis
Louis Sportelli, DC, President, Triad
Tom Allenburg, DC, CEO, American Complementary Care Network

Note: This session features candid commentary from executives with four of the leading national networks. Their participation will be as discussants, rather than presenters. Each of them received the following list of questions with their overlapping themes ahead of time. A few will be selected, as time allows.

OPTIMAL LEVEL OF CAM BENEFITS

Most CAM providers believe CAM services are under-utilized as components of optimally effective and cost-effective care. Imagine that an HMO gives a network $10 per member per month (PMPM) to manage and assess a CAM benefit package. This is 100% to 1000% higher than most HMOs covering CAM services are paying. Can a case be made for this higher level of expenditure? What would you have in the benefit? Could this be cost-neutral? How could we be most certain that it would generate cost-offsets? If this level is too high, then what is the high mark for CAM as reflected in a PMPM expenditure? What is the optimal CAM benefit?

Pressure more on where the money goes. If $10 -- we know PacifCare charges $3.50 individual, $12 per family -- we get $1 per enrollee. [How much is plan -- seller getting -- vs the provider or provider network?] Seems a lot it pure profit, that could be more research, provide better benefits. Is some of the money going to physician group?

IS THE NETWORK MODEL “INTEGRATIVE MEDICINE”?

A case can be made that the dominant model of care delivery -- carving out covered CAM services to a network business which credentials providers, manages services, assumes financial risk and offers members direct access to CAM providers -- is not integrated administratively, financially or clinically. Do you agree? Do you view this as a problem or an asset? If a problem, what actions from a network or plan will help resolve it?
DISCOUNT/AFFINITY PRODUCTS  The leading trend in HMO activity with CAM networks in 1999 is definitely the inclusion of diverse CAM services not as covered benefits but via “affinity” products in which members still pay cash for CAM services, but at a discount. What are the values in this model? Will this lead to covering other benefits? Are you doing anything to gather data from these discounted products?

DIRECT-ACCESS COVERED SERVICES  A leading model for CAM delivery by networks is one in which the network acknowledges the typically low level of conventional PCP referral -- either because of lack of MD education or MD antagonism -- and tells the plan, in effect: “We can get around that. We’ll manage a program in which your members can directly access our providers.” Is this the best starting place? How will this evolve? What kinds of programs do you have in place to increase MD-PCP understanding? Are they working?

CONSUMER DRIVEN VERSUS CLINICALLY DRIVEN  Data on HMO inclusion of CAM underline that the consumer is in the driver’s seat. Requests from consumers and employers, and consumers acting through legislatures in the form of mandates, are far and away the single most significant factors in HMO inclusion. In one study, “effectiveness” was the primary factor for just 8% of respondents, and “cost-effectiveness” was cited by precisely 0%. Will optimal integration require that CAM services be moved into these deeper discussions? How do we get CAM to those tables?

DIRECT TO EMPLOYER CONTRACTING  Some CAM integration activists argue that the best way to view the comparative cost-effectiveness of CAM is not by looking just at medical expenditures, but to look at these interventions in terms of global savings to employers. Here, costly issues like absenteeism and productivity come into play. Is the optimal CAM partnership with the employer rather than the HMO? Do you have any unusual direct-to-employer products which include analysis components?

RESEARCH: COST-OFFSETS?  A significant issue in CAM payment is whether or not the services are an “add-on,” “replacement” or “reduction” relative to the cost of conventional services? In an ideal world, answers to these questions would determine whether additional premiums should be paid (rider), whether services should be core benefits, or, whether, in fact, HMOs and physician organizations should be proactively referring for CAM services. How critical is this question? Have you, or are you, undertaking any analysis of this question? How do you propose we answer it? What kinds of research models? Who needs to be involved?

Outcomes studies. We are getting software to allow us to compare with MDs. Questionnaire pre and post treatment, re indicators. Looks mentally and physically at effectiveness, from position of user. We keep reading about interest in outcomes I’d like to see this in reality. Delegated -- dumping and holding. NCQA issue on surveying providers.

Another is: NCQA driving up cost of business in providing CAM services, mainly in quality assurance, UM and documentation. The time is critical. Given that they are asking this, is it driving up the cost of services and is there a commensurate increase in quality. [Same question on conventional services.]

PUBLIC POLICY  The federal government was charged by Congress in 1998 with establishing a national commission on CAM in US healthcare. What do you believe the commission should explore in the CAM/HMO/network industry? If you were charged with spending $1 million annually on research in this arena over a five-year period, how would you spend it? What core messages would you like to deliver to such a commission?

CAM PROVIDER CONCERNS  Some CAM providers are suspicious of involvement with networks and HMOs. They claim it will “ruin” alternative medicine by, among other things,
harming the provider-patient relationship. Are there risks in this area? If so, what if anything are you doing to combat them?

**COVERING SERVICES BY CAM-MDs**  Most network-delivered CAM services utilize distinctly licensed CAM provider types: chiropractors, acupuncturists, naturopathic physicians and massage practitioners. Yet a significant and growing subset of medical doctors are beginning to provide some CAM services, in their own practices and in so-called “integrative clinics” which may be sponsored by a major health system. Are you working with these cross-over providers? Credentialing them? For what services? Is there a need emerging?

**MEDICARE + CHOICE**  On the face of it, Medicare + Choice offers some exciting possibilities to bring covered CAM services to seniors. Are you involved in any such programs? What services? Do you foresee significant expansion in these senior benefits?

**BOTANICALS AND “NUTRACEUTICALS”**  The most rapidly growing area of consumer use of CAM is in herbs/botanicals and therapeutic use of vitamins, the so-called “nutraceuticals.” Do you see these as a growing covered benefit? Will we see pharmacy replacement strategies? Can you guarantee quality?

*Like this*

**USE OF INTERNET**  Data suggests that there is a significant cross-over between users of CAM and users of the internet. A number of CAM networks have begun to develop internet-based components to their services offerings? Is the internet an appropriate or even necessary tool in doing business for a CAM network? Does your business presently include use of the internet? In what ways do you anticipate an expanded use of the internet in CAM’s future with HMOs?

*Like this*

**HEALTH CREATION AND THE DISEASE MODEL**  The principles of the original HMO movement and of the CAM movement may be viewed as aligned around a paradigm which purports to create health in the populations served rather than being merely reactive to disease. To what extent do you view the services of your network in this light? Do any of your management strategies tend to be more disease-oriented than you might wish? Are your providers being underutilized as promoters of health? What can HMOs do, if anything, to better maximize your providers as partners in creating health?

**BUYERS MARKET: ECONOMICS OF THE NETWORK INDUSTRY**  To all accounts, 1999 is a buyer’s market for HMOs looking to contract with networks for CAM services. Clearly, with national expansion by many firms, the market is more competitive. One hears of networks “buying contracts” in order to establish themselves in new geographic areas, and of discount products being “given away.” On a low PMPM, can losses only be cut via deeper provider discounts or keeping members from services? Is this a contradictory market pressure at a time when member interest in such services appears to be on the rise? What gives when PMPMs are low? When, if ever, do you foresee the market shifting?

Given that some offer at $.50 and some at $3.50, how do you justify.

Question about product line, how will they change if there is more. If more services, what will they be?

End

INDUSTRY/HEALTH News File #28, August 13, 1999
1 BUSINESS & HEALTH EDITORIAL BOARD CAM PERSPECTIVE, PLUS

The August "What We Think" column by RICHARD SERVICE, editor, BUSINESS AND HEALTH (a MEDICAL ECONOMICS publication targeting employee benefits executives) includes two useful perspectives on the employer market. Service was reporting consensus findings of his Editorial Board on expected developments in employee benefits. The board includes executives from firms like PEPSI BOTTLING GROUP, BANK ONE (Chicago) and MILLIMAN & ROBERTSON. He states: "Expect to see huge increases in both the use and credibility of alternative medicine." This followed a broad, practical-philosophic statement which also underscores a need in the CAM integration field: "I wonder whether there is an 'analysis paralysis' among employers. It would be bad management and worse health care policy to suspend action while awaiting supposedly definitive research. Investing in the health of workers, our board argues, is a matter of self-interest." Service’s editorial line regularly pushes employers toward a more prevention and health-promoting approach. For B&H: 201-358-7200.

2 FEDERATION OF CHIROPRACTIC NETWORKS FORMED

On August 21, a new organization of state and local chiropractic networks was formed, in the words of BRAD HAYES, DC, president, “attempt to bring standards to the industry.” The NORTH AMERICAN FEDERATION OF CHIROPRACTIC NETWORKS has as its purpose, according to Hayes, “the uniting of local and regional chiropractic networks and interested practitioners in the business of sharing and understanding the healthcare business in regard to chiropractic.” At this time the national networks are not included. Hayes explained: “There is a perception among some -- right or wrong -- that national IPAs have hurt chiropractic.” One early participant painted the NAFCN as “David versus Goliath attempting to make the market less chaotic.” When asked if
it was true that local network practices are also charged with hurting the chiropractic profession, Hayes conceded this was the case. Networks from at least 8 states were represented at the founding meeting: WI, CO, KS, OK, NM, LA, and NC. Hayes states that while OR and TX were not present they were “on board.” Roughly half of these organizations were started by state associations, often through provider assessments. At least of the founding networks also have other CAM providers and more are exploring it since “the demand is there.” Most of the networks have the problem, according to Hayes, of not “having a clue other than price” about the systems, data, etc. needed to successfully run a network. The NAFCN plans to share information on core business needs and strategies. David vs Goliath? Even is some of the small networks are immature or priced the same as the competition, the effort can make the market more mature and less chaotic. Hayes, a medical director with the 4-year-old OKLAHOMA STATE CHIROPRACTIC INDEPENDENT PHYSICIAN ASSOCIATION, asserted that the nationals only account for 15% of the managed chiropractic, while the state and regional networks account for the remainder. For Hayes: 918-492-0087.

3 LUTHERAN HEALTH NETWORK AND SOUTHWEST ND COLLEGE

Late August marked the signing of an affiliation agreement between SOUTHWEST COLLEGE OF NATUROPATHIC MEDICINE and BANNER HEALTHCARE (a combination of LUTHERAN HEALTHCARE NETWORK and SAMARITAN), a combined 5-hospital group in the Phoenix area, under which naturopathic medical students and staff naturopathic physicians with Southwest will observe physician practices and hospital rounds, observe in the ER and assist in system laboratories. PAUL MITTMAN, ND, acting president of Southwest, told THE INTEGRATOR that this discussion has been underway for a number of months and an August 27 presentation to medical leaders garnered significant support. RENEE PIERCE, who heads up CAM exploration for the Lutheran organization, told THE INTEGRATOR that some Southwest naturopathic medical students have already been onsite at Lutheran facilities, particularly in a pain clinic led by MDs who use some acupuncture. Pierce attributed the positive decision to the relationships and mutual understanding which quietly developed during the nine months of that relationship. Lutheran’s chief of staff, KLEE BETHEL, MD, one of the physicians at the pain management clinic, is a champion of the relationship internally. Under the merger which created BANNER HEALTHCARE, which commenced September 1, 1999, Pierce will be working closely with her counterpart at Samaritan, HOWARD SILVERMAN, MD, former medical director with the now defunct ARIZONA CENTERS FOR HEALTH AND MEDICINE. Silverman has significant experience working with naturopathic physicians. Southwest, founded early this decade, is the youngest of the 3 federally-recognized naturopathic medical programs. For Mittman: 408-970-000; for Pierce: 480-503-9640.

4 ST. JOSEPH HEALTH SYSTEM (CA) CAM UPDATE

CORRINE BAYLEY, vice president and CAM leader with the 10-hospital, California-based ST. JOSEPH HEALTH SYSTEM informed THE INTEGRATOR this week that the system is “moving ahead with two oncology pilots” involving both inpatient and outpatient care. “We’ll use it as a learning lab for introduction of CAM therapies and on how to change the culture from provider focused to a more healing environment for both patients and providers.” The two sites are the ST. JUDE MEDICAL CENTER, Fullerton and ST. MARY MEDICAL CENTER, Apple Valley. Kick-off is formally scheduled for October 1, although significant internal preparatory work has already commenced. In related CAM news, Bayley has pulled together the system’s 3rd annual healing retreat: 400 system leaders will participate in a weekend gathering and hear from such leaders as PAMELA PEEKE, MD, and JAMES GORDON, MD. Bayley also reports that three hospitals have now surveyed their physicians on CAM interest and use. Each has seen a relatively high response rate (25%), most don’t ask patients about CAM use, and “a lot are using” CAM in their practices (through referral or direct clinical application). For Bayley: 949-364-2644.
A regular US government report on addiction treatment facilities found that of 8,958 facilities on October 1, 1997, 429 (4.8%) listed acupuncture as one of the client services offered. “Guidepoints: Acupuncture in Recovery,” a monthly newsletter serving the acupuncture-addiction community, estimates that, based on the study methodology, an additional 91 programs are likely to exist, bringing the total to 520. Highest presence are at community health centers (8.55%), community/religious organizations (8.6%) and local government sponsored programs (7.7%). Lowest was federal government sponsored programs (1.2%) and solo/group practices which treat addiction (1.7%). The free report, SAMHSA Uniform Facility Data Set: 1997, is available by phoning 800-729-6686 and requesting DHHS Publication No. (SMA) 99-3314. For information on the $180 newsletter, an excellent resource for anyone working with CAM for addiction as well as the source of this notice, contact Jay Renaud, editor: 360-254-0186.

SARAH FISHER, MD, reported the following from her 14-month-old Philadelphia-based integrative facility:

** STAFF: ** MD (strong GABY-WRIGHT nutritional medicine focus including IV-chelation, growing homeopathy skills), DC (originally staff, now leasing space/personnel), PA with 20 years practicing homeopathy, 3 acupuncturists (2 TCM plus cross-trained rehab medicine MD), RN-Reiki provider, and an office manager with experience in patient education. All except the DC are salaried.

** SIZE: ** 2600 square feet. Originally a large classroom.

** EDUCATIONAL/GROUP PROGRAMS: ** "Initially we ran such programs as Tai Chi, yoga and health relevant classes (yeast syndrome, food allergies, menopause, etc.). These classes were poorly attended and we lost a lot of money on the whole thing."

** GROSS: ** $500,000, past 12 months.

** INSURANCE: ** 90% collected at the time of service, 1.5% Medicare assignment.

** REFERRALS: ** Most from other patients or local health food store. Fisher "personally enrolled" 600 new patients over the past 18 months. Changed classroom to new acupuncture room and expanded IV space.

** MEDICAL DIRECTOR SKILLS: ** "My (Fisher's) real skill is appropriate lateral referrals to a variety of complementary modalities."

** BOTTOM LINE: ** "Not making a lot of money," but "I employ a lot of good people and pay them well."

Fisher says she "likes to view Lotus as a prototype." PHONE:215-627-3001

A. GREAT SMOKIES DIAGNOSTIC LABORATORY in Asheville, NC, frequently used for specialty lab services relative to therapeutic nutrition approaches by CAM providers, announced on July 28 that it had received "510(K) market clearance" from the FDA for the firm's intestinal permeability test kit. The test is used in the diagnosis of gastrointestinal malabsorption syndromes (colitis, Crohn's, IBS, etc.). The INTEGRATOR benchmarking survey has found that tests such as this dominate physician needs to contract with specialty labs. Contact: Earlene Clark, VP, Operations: 800-522-4762

B. The AMERICAN DIETETIC ASSOCIATION is pushing for final passage of federal legislation which would permit reimbursement under MEDICARE PART B for care provided by RDs. For the second year, a bipartisan majority in the House has co-sponsored legislation. Coverage of
nutrition services lags well behind the science supporting nutritional interventions. “The evidence that good nutrition lowers medical costs is compelling,” notes Congresswoman Nancy Johnson (R-CT), prime sponsor of the MEDICARE MEDICAL NUTRITION THERAPY ACT (HR 1187). The ADA states that a recent report found that extending coverage for medical nutrition services provided by RDs to military personnel in the TRICARE benefit program would save $3 million after the first year. For the ADA: Tom Ryan or Doris Acosta, at 800-877-1600

C. Two new publications targeting the natural products industry have recently appeared. HEALTH PRODUCTS MARKETING is an $895 monthly published by CYGNUS PUBLISHING (920-563-1768). The second is NUTRIBIZ ($357), published by CORPORATE RESEARCH GROUP (914-235-6000; corprsrch@aol.com)

D. Portland, OR-based HEALTHNOTES, INC., recently added to the number of web-based firms which have licensed its database on natural products. The new firm, bringing to 15 the number licensing the $150,000 product, is adam.com. For HNI: 503-234-4092.

E. A past newsfile reported the success of the naturopathic medical profession in securing two appointments to the Advisory Council to the NIH NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE. The distinct CAM professions had little representation on the original panels. Altogether, sixteen individuals have been named: MD (5), DO (1), ND (2), DC (2), Massage (2), OMD (1), plus 4 public representatives. Subscribers wishing a complete list, contact Charlie Priester at 206-933-7983.

End
INDUSTRY/HEALTH News File #30, September 3, 1999

__________________________
INDUSTRY/HEALTH SUBSCRIBER

News File #31, September 10, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1 JAMA REPORT: COMPLEMENTARY NATURE OF CAM USE
2 SLOANS LAKE: PUSHING MORE CAM UTILIZATION
3 COLUMBIA PRESBYTERIAN DATA ON OUT-PATIENT/IN-PATIENT CAM SERVICES
4 CONFERENCES
5 MISCELLANEOUS

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

____________________
AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

____________________
1 JAMA REPORT UNDERLINES COMPLEMENTARY NATURE OF CAM
The August 18 JAMA includes a report of a consumer survey on CAM, headed by BENJAMIN DRUSS, MD, MPH, an assistant professor of health and public policy at YALE UNIVERSITY. Druss states that the survey “shows that alternative or unconventional medicine isn’t really an alternative at all, but a complement to traditional medical practices.” Leading findings of the 24,676 persons surveyed (77.7% response rate yielded 16,068 adults) were:

** 6.5% of the population had visits for both unconventional and conventional care
** 1.8% used only unconventional services
** 59.5% used only conventional providers
** 32.2% used neither.

A key finding was that those using both types of care had significantly more outpatient visits (7.9 vs 5.4) and all types of preventive services, except mammography, than those with only conventional visits. No significant differences were found in inpatient care, prescription drug use or number of emergency department visits. Health status -- either positive or negative -- did not appear to be a factor in use of CAM providers. The authors look to the “literature on high utilizers” to explain the findings, postulating that “attitudes and learned patterns of behavior may be as important as specific health care needs in driving use of health care services.”

The use data was far lower than in most other studies. Chiropractic, for instance, was at 3.3%, as compared to 10%-11% in the Eisenberg studies and 16%-17% in the Landmark and ASHP-Stanford surveys. Druss et al explained the unusually low overall use of CAM (8.3%) as being due to methodology. The main difference is the focus on use of provider services, versus self-administered care. The survey also included non-English speaking and lower income people. Very few services were based on physician referral. In fact, over 80% of the time the consumer use was not “physician involved.” JAMA. 1999; 282: 651-656.

2          SLOANS LAKE: PUSHING MORE CAM UTILIZATION

When did you last hear an HMO medical director say: “We’re doing everything we can to increase utilization”? Now add: “... of alternative medicine services.” So stated ROBERT FARACI, MD, medical director with Colorado’s SLOANS LAKE HMO, whose spiritual care network and $250 core CAM benefit, via an internal network, was featured in the May INTEGRATOR. The HMO is trying to find out why actual covered utilization is far less than the levels of use of CAM by the HMO’s members discovered in preliminary surveys. Types of providers included are quite liberal by most standards, and access is consumer-friendly. Faraci guesses that one factor may be that the panel needs to be expanded. So the HMO is actively promoting use in member newsletters and has begun working with its behavioral health network to get those providers to remind their clients of the existence of the benefit. At this time, though based on “very limited data,” Faraci says the cost of CAM is “almost negligible.” Those who use CAM, he adds, tend to continue controls, the HMO discovered that users of CAM tended to be “significantly less healthy in virtually every category” than CAM providers: “The worst were in mental outlook and chronic pain.” While other studies, such as that led by STANFORD’s JOHN ASTIN, PHD (JAMA, May 1998), had shown a correlation between use and those with chronic conditions, Faraci assumed these might be “canceled out” by another group of more healthy users (who Astin captured as the “cultural creatives”). The earlier data suggests that at least one assumption of many people in the coverage arena may not be true. Faraci’s group is currently tallying a re-survey to see if these findings remain. The aggressively promotional behavior of the HMO has grown out of its commitment to understanding the value of CAM in health care. Limited use is limiting evaluation. 303-504-5550

3          COLUMBIA PRESBYTERIAN DATA ON OUT-PATIENT/IN-PATIENT CAM SERVICES
Experience data from a unique complementary care program which combines in-patient and out-patient services at COLUMBIA PRESBYTERIAN in New York City has been released to THE INTEGRATOR by JERY WHITWORTH, RN, who co-directs the program. The program offers a range of mind-body services. Services and level of utilization follow: reflexology (33%), acupressure (13%), massage (32%), hypnosis (9.6%). The remainder, with none more than 2.7% are yoga, guided imagery, Qi-gong, therapeutic touch, consultation and unspecified services. Of all patients, 35% were in-patients, 40% out-patients, with the remainder OP-IP. Conditions range across a broad spectrum, and included cardiac, genito-urinary, orthopedics, stress-related and cancer. Nearly 60% of use by males --- who represented 44% of total use -- clustered around cardiac services. Stress conditions and cancer were each at roughly 10% for males. Use by women was more evenly distributed, with cancer, cardiac and stress-related each accounting for between 17% and 22% of visits. Access to the program was by self-referral or from a variety of referral sources. Physicians ranked highest at 34% with other hospital personnel at 20.3%. Family and friends were the next category at 15.6%. An intriguing measure was a frequency of use. The overall average was 2.8 treatments. Ranking highest in the categories examined were in-patients (3.64), cardiac patients (3.51) and males (3.43). Females were at 2.31 and out-patients as a whole were at 1.8 visits. Contact: Jery Whitworth, RN : 212-305-5068.

4 CONFERENCES

A. STANFORD-HARVARD CONFERENCE is looking good for turnout and sponsorship according to Stanford’s KEN PELLETIER, PHD, who is co-chairing the event. Roughly 225 individuals, most representing institutional interests, are already signed up. Over $100,000 and perhaps as much as $150,000 has been committed in educational grants from donors to the program. The success has stimulated the commitment to annualize the program, and a major HMO/insurer -- not yet announced -- has shown interest in serving as a significant sponsor. Pelletier shared that his second article on CAM trends in the AMERICAN JOURNAL OF HEALTH PROMOTION has been accepted for publication and is likely to be in the journal’s Nov-Dec issue.

B. HEALTH CARE QUALITY ALLIANCE is focusing on CAM at its “Annual Conference on Quality” in Washington, DC, September 21, 1999. The Alliance includes over 100 organizational members, including the AMA, many specialty societies, the AMERICAN OSTEOPATHIC ASSOCIATION, AMERICAN CHIROPRACTIC ASSOCIATION and others. (The other CAM professions are not organizational members.) The speaker line-up includes many federal government officials with various agencies involved with CAM. Opening remarks are from the executive director of the AOA, JOHN B. CROSBY, an HCQA board member. The information about this conference was provided by ALTERNATIVE LINK, one of whose team, JUDY LEE, is on a panel on “Regulating and Reimbursing Alternative health Care.” 202-835-3535

5 MISCELLANEOUS

A. RE: THE BUSINESS AND HEALTH notice in NewsFile #30: Editor RICHARD SERVICE told THE INTEGRATOR that his editorial comment on “huge increases in the use and credibility of alternative medicine” was based less on employer data than on anticipated demographic and workplace changes. Two converging points of particular interest: “Tremendous pressure from consumers at the same time as changes in the job market will push employers to do everything they can to hang onto employees. Employers will want to keep their people happy and these kinds of chronic conditions, often associated with pain, are effected by personal relationships with care-givers. That’s a strength of alternative providers.” Service’s comments will be included in more length in the October INTEGRATOR.

B. HEALTH FORUM JOURNAL: “MOVING CAM OUT OF QUARANTINE” Health Forum journal, owned by the AMERICAN HOSPITAL ASSOCIATION, included an article on
developments in the CAM integration arena in its “Catching the Enterprising Spirit” September/October issue which looked at entrepreneurial activity in health care. The article, written by INTEGRATOR editor JOHN WEEKS, is based on observations in the last two years as integration activity has picked up. The thesis -- not new to INTEGRATOR readers -- is that business will "lack economic vitality" as long as integration is merely consumer driven ("patient satisfaction") and not viewed as a part of the core business of creating more effective and cost-effective care. The article ends with 10 examples of health system and HMO activity which appear to be driving the integration conversation into this more important terrain. Single copy $10. 415-356-4300

C. PHONEBOOK ADS AND CHIROPRACTIC PROVIDER SELECTION A CAM network executive recently suggested to THE INTEGRATOR a “rule of thumb” in provider selection for chiropractors. To discover the “high-roller” (high utilizer) chiropractors, check who has the largest advertisements in the telephone book. He stated that his network development specialists had observed an apparent correlation between ad space and “the production guys” who run patients through their practices. No formal studies of this observation have been undertaken.

D. The September 1999 issue of NATURAL BUSINESS briefly noted that Warwick, RI-based HEALTH BUSINESS PARTNERS “led a multi-million dollar round of investment in Newton, MA-based INTEGRATIVE MEDICINE COMMUNICATIONS.” The specific amount of the investment was not disclosed. HBP, publishers of NUTRITION BUSINESS JOURNAL, has staked a leading position in venture investment and merger and acquisition work in the CAM and natural products arena. Other participating investors included ASCENT VENTURE PARTNERS and US TRUST CORP. For HBP, Danny Warshay: 401-885-4670

E. COMPLETE WELLNESS CENTERS, under new management, announced on September 1 a move from DC to new corporate headquarters in Winter Park, Florida. The firm explained the move as a consolidation with its West Palm Beach offices and a decision to locate in closer proximity to the “greatest concentration of its affiliated clinics.” The release stated the firm has 63 affiliated clinics. The integration model combines MD and DC providers. Joseph Raymond, Jr., chairman: 407-673-3073.

End
INDUSTRY/HEALTH News File #31, September 10, 1999

__________________________
INDUSTRY/HEALTH SUBSCRIBER

News File #32, September 27, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. PLEASE RSVP FOR INDUSTRY/HEALTH BREAKFAST OCTOBER 18
2. AWH ANNOUNCES WEB SUBSIDIARY DEAL WITH WHOLE FOODS/REBUS
3. CAM PROFESSION WEB-NEWS: AMTA AND AANP
4. TWO NEW NETWORK DISCOUNT CONTRACTS: MIDWEST AND MID- ATLANTIC
5. CONSUMER FOCUS GROUPS: NON-USERS OF CHIROPRACTIC

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999
1. PLEASE RSVP FOR INDUSTRY/HEALTH BREAKFAST OCTOBER 18

Just a note to remind anyone interested to please RSVP on the INDUSTRY/HEALTH breakfast in Los Angeles on October 18. We are headed toward a full room with representatives from 15 organizations currently on board. We can take up to 20. Please let us know your plans ASAP as food arrangements are underway.

When: 6:45 AM -- 8:30 AM: October 18, 1999
What: INDUSTRY/HEALTH EXECUTIVE BREAKFAST
Where: Wilshire Grand (930 Wilshire Blvd, 213-688-7777)
Room: Mulholland Room

The theme will be: “THE STATE OF HMO SERVICES: IS THERE LIFE AFTER DISCOUNTS?” Remember that you need not attend NMHCC to attend the breakfast. [NOTE: EXHIBITED AND KEYNOTES ARE FREE BY CONTACTING REGISTER@NMHCC.COM.] One person per organization. Remember also that the evening of the 18th, six firms (American Chiropractic Network, Triad, American Specialty Health Plans, Alternative Link, American WholeHealth Network, and Integrative Medicine Communications) are collaborating to sponsor a CAM industry reception. If you aren’t going to NMHCC, come to LA on business during that day and take part in the breakfast and reception to book-end of the day! It’s a great chance to focus on core issues and socialize with your fellow industry leaders. Respond via e-mail or at 206-933-7983.

2. AWH ANNOUNCES WEB SUBSIDIARY DEAL WITH WHOLE FOODS/REBUS

AMERICAN WHOLE HEALTH has added a third leg to its growing CAM enterprise. Following a 1996 integrative clinic initiative (now at 10 clinics nationally) and addition of a network operation through purchase/merger with NATIONAL EMPLOYEE BENEFITS last year, an AWH release on September 23 announced formation of a “majority owned subsidiary” -- WHOLEHEALTHMD.COM. The dot-com firm was established through a $20 million infusion by WHOLE FOODS MARKET, INC. (NASDAQ: WFMI). The whole foods giant took a minority stake in the enterprise. Whole Foods operates the nation’s largest chain of supermarkets, with 100 stores in 20 states plus the District of Columbia. The AWH-affiliated website is expected to be "part encyclopedia and part self-help guide," according to a statement from AWH CEO MARK PACALA. The release claims the site will “draw on AWH’s physician-developed clinical protocols.” Consumers will be able to create “personalized plans for self-management of chronic illnesses.” Content will be supported by AWH’s purchase of “key assets” from REBUS, INC., a New York publisher. Rebus’ owner, RODNEY FRIEDMAN, has joined WholeHealthMD.com where he will serve as publisher. WholeHealthMD.com will be integrated with Whole Foods’ own site, WholePeople.com, which is itself a newly formed subsidiary of Whole Foods Market. Purchase of natural products (vitamins, etc.) will be available on this site. The clinic leg of the American WholeHealth enterprise, which has lagged behind AWH’s original plans to have 50-100 clinics in operation by the year 2000, will also gain a considerable boost through the Whole Foods relationship. The release states that “in addition to its web partnership, Whole Foods and AWH will be cooperating to locate up to 50 AWH centers adjacent to Whole Foods Market stores.”

For AWH: BILL EGGBEER, 888-437-6336.
3. CAM PROFESSION WEB-NEWS: AMTA AND AANP

A. AMTA ADDS PHONE SERVICE TO WEBSITE IN QUALIFIED PROVIDER LOCATION

The AMERICAN MASSAGE THERAPY ASSOCIATION has expanded its phone and internet services to consumers wishing to access AMTA member massage therapists. A toll free number (888-843-2682) will guide consumers to therapists who are both located geographically near them and practice the type of body therapy sought by the consumer. AMTA’s “Professional Members,” to whom the public is referred, must have completed a minimum 500 hour training program which is accredited by the COMMISSION ON MASSAGE THERAPY ACCREDITATION, or a school which is an AMTA COUNCIL OF SCHOOLS members, or have gained certification from the organization’s allied certifying body. AMTA’s website (amtamassage.org) has also been updated to allow consumers to scroll to locate practitioners of their choice. RON PRECHT, AMTA communications director, told THE INTEGRATOR that AMTA has doubled its capacity to respond to growing consumer demand. Website: amtamassage.org.

B. STATE LICENSING CASE FOR NATUROPATHIC PHYSICIANS ON THE WEB

A new, interactive slide show called “Making the Case for Licensing” is now part of the website of the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS. The show was developed as part of the presentation the California affiliate of the AANP made to California state officials this past summer. Naturopathic physicians are presently licensed in 11 states. Recent efforts to expand licensing have been adamantly opposed by an organization led by, and funded by, owners of businesses which offer “Doctor of Naturopathy” certificates via correspondence courses. AANP members complete four-year, post-premedicine, residential education which includes a two year clinical component. Website: naturopathic.org.

4. TWO NEW NETWORK DISCOUNT CONTRACTS: MIDWEST AND MID-ATLANTIC

A. CONSENSUS/CAREFIRST BCBS (MID-ATLANTIC)

January 1 marks the launch of a CAM discount product promoted by CAREFIRST BLUE CROSS BLUE SHIELD as “the first in the Mid-Atlantic region.” CareFirst’s partner on the program, called CareFirst Options, will be Emeryville, CA-based CONSENSUS HEALTH. For Consensus, this is the 3rd significant Blues contract, following CALIFORNIA BLUE SHIELD and BCBS North Carolina. CareFirst operates in DC, Virginia, Maryland and Southern Delaware. CareFirst senior VP for medical affairs and network management, ERIC BAUGH, MD, explained the development as a response to consumer demand, and his firm’s “commitment to helping customers stay healthy and providing more options to promote better health and fitness.” The benefit is extended to customers of CareFirst, FREESTATE HEALTH PLAN, DELMARVA HEALTH PLAN, PREFERRED HEALTH NETWORK and CAPITALCARE HMO. FreeState is also involved with a covered benefit, acupuncture pilot project developed in an unusual collaboration with TRADITIONAL ACUPUNCTURE INSTITUTE (see August 1998 feature). For CareFirst: 888-999-4140 or carefirst.com; for Consensus: 510-285-2000.

B. AWHN INKS/RUSH-PRUDENTIAL (ILLINOIS) DEAL

Chicago’s third largest insurance company, RUSH-PRUDENTIAL, has announced a partnership with AMERICAN WHOLEHEALTH NETWORKS to offer a CAM discount to its 400,000 members. Price breaks by AWHN are reportedly “as much as 25%.” Among the providers are the AWH clinics in Chicago, led by DAVID EDELBERG, MD, AWH founder. A news account suggested that HUMANA and AETNA are also looking at adding similar benefits in the Chicago market. Humana reportedly has CAM pilots underway in Tampa and Cincinnati. BARBARA HILL, with
Rush Prudential, explained the move succinctly: “We just realized that this is a service the American public wanted.” The AWHN network is anticipated to have some 200 providers. For AWHN: 800-274-7526.

5 CONSUMER FOCUS GROUPS: NON-USERS OF CHIROPRACTIC

An e-mail list-serve on chiropractic recently circulated comments of an chiropractor-observer of a series of chiropractic-related focus groups with non-users of chiropractic care. Some shared findings of the perception of chiropractic among these non-users were: most were chiropractic-neutral; the biggest negative was a concern that “one you started treatment, you have to keep coming” (preferred was short-term treatment focusing on their chief complaints); consumers did not like “us v. them approaches” from any quarter (most “already had a negative view of the medical treatment already received for their neck or back problem ... nothing to gain by ‘piling on’”; quality of life -- “resuming more enjoyable activities” -- was key to satisfaction; and few had any idea of the level of training and formal licensing required, and furthermore, found professional-looking paraphernalia (white coats, diplomas) important. An interesting final point: while non-users did not like the idea of personally communicating their use of an alternative service with their medical doctor, they “embraced the idea that their chiropractor should.” In short, they’d praise, not shoot, the messenger. Source: chiroviewpresents.com; contact Sigmund Miller: 925-294-98090 x 11.

6. CONFERENCES

A. LATE REPORT ON TOP FLIGHT CAM-REHAB MEETING: OCTOBER 1-2, BOSTON

THE INTEGRATOR recently learned of a top-flight gathering on CAM in rehabilitation medicine, sponsored by SPAULDING REHABILITATION HOSPITAL with CME’s available through HARVARD MEDICAL SCHOOL. The two-day meeting will be held October 1-2, 1999, in Boston, at the Marriott. Among the speakers are DAVID EISENBERG, MD, and leaders in development and research of group-focused services JON KABAT-ZINN, PHD, and HERBERT BENSON, MD. Other notable presentations are a look at homeopathy in mild traumatic brain injury by EDWARD CHAPMAN, MD, past president of the AMERICAN INSTITUTE OF HOMEOPATHY, and herbs and nutrition to advance recovery by GLEN ROTHFELD, MD, medical director a Boston clinic owned by AMERICAN WHOLEHEALTH. (Rothfeld is also prominent on the AWH website.). The meeting is an unusually broad look at CAM clinical application, also including such topics as “Fibromyalgia and Magnet Therapy” and a program with a remarkable symmetry: “Phantom Pain and Therapeutic Touch.” Course director is ERIC LESKOWITZ, MD. $375; for reservations: 617-432-1525.

B. WOMEN AND CAM AT DETROIT’S ST. JOHN HEALTH SYSTEM

ST. JOHN HEALTH SYSTEM in Detroit is taking a step into CAM October 4 with a consumer-focused evening seminar. Among the presenters will by RICHARD BUTLER, DO, medical director, St. John Oakland Hospital, on the “importance of holistic health and self-care.” 313-343-8840

7. MISCELLANEOUS

A. KATZ ON INSIDE TRACK TO HEAD NATIONAL CAM COMMISSION

An early, unconfirmed report has been provided to THE INTEGRATOR from Washington, DC, insiders that SHEILA KATZ, PHD, will be given the prize appointment of chairing the National/Presidential Commission on CAM which was funded at $1 million in the 1998 legislation
which transform the NIH OFFICE OF ALTERNATIVE MEDICINE into the CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE. Katz, who has only peripherally been involved with CAM to-date in her professional work, is apparently a colleague of NIH director. Many insiders had hoped that an individual with a proven background and interests in CAM, such as WAYNE JONAS, MD, former OAM director, would be selected. NIH leadership has taken an adversarial view toward CAM in the past. The chair may be expected to place a significant stamp on how expansively the national body will consider CAM’s role in the future of US healthcare.

B. AMERICAN CHIROPRACTIC NETWORK PROMOTES NEW INFORMATION SYSTEM

A flier promoting free attendance to keynotes and exhibits at NMHCC West notes that AMERICAN CHIROPRACTIC NETWORK is introducing a new ORBIT (Outcomes-Based, Research-Supported, Best-Practice, Information Technology) information product. ACN promotes the product as “a system to provide health plans with the process, data, structure, data and support necessary to participate in complementary and alternative medicine.” 800-873-4575

End

INDUSTRY/HEALTH News File #32, September 28, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. CALL FOR INFORMATION: PERCENT OF CAM PMPM RETAINED BY HMOs?
2. BASTYR PRESIDENT JOSEPH PIZZORNO TO RETIRE IN 2000
3. MILLIMAN & ROBERTSON FREE REPORT ON PRICING A CAM BENEFIT
4. NETWORK CONTRACTS: ASHP/BCBS ILL, AWHN/UNITED GEORGIA
5. CONFERENCES
6. MISCELLANEOUS

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H/ INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1. CALL FOR INFORMATION: PERCENT OF CAM PMPM RETAINED BY HMOs?

What percent of an employers’ per member per month (PMPM) or per employee per month (PEPM) fee is actually paid to providers of CAM services? Recent, not-for-attribution INTEGRATOR interviews have found that an astonishingly high percentage of a total CAM PMPM rider fee is often retained by a managed care firm to recover so-called “administrative costs” or “marketing.” One network executive revealed that the overage charged by HMOs on the network’s contracts ranged from 75% to 200% of the PMPM passed on to the network. Example: a $2.00 PMPM fee received by the CAM network might be charged out by the HMO to the
employer at $6.00 PMPM. A second executive corroborated this practice, noting that if the network is taking a sub-capitation from a physician group, the physician group can also extract a significant slice of the dollar which, on the surface, would appear to be paying for CAM services. This closely-held information obviously has significant downstream impacts on the ability of an employer to: a) afford a CAM benefit; and b) understand clearly any cost-offsets and cost-effectiveness of the CAM services. For a story on the splits in the pricing of CAM riders, THE INTEGRATOR seeks information on existing contracts which break out the following: 1) PMPM price to the employer/purchaser; 2) PMPM paid to the network; 3) the typical range of administrative fees paid by the network to service the contract; and 4) the portion of the PMPM which actually reaches the CAM providers. Information on sub-capitation also welcome. The INTEGRATOR report, if necessary, will be one in which all of the information is provided without attribution; and the HMO contracts may be listed not by names, but only as #1, #2, #3 and etc. If requested, information will be kept in confidence. By making public these industry practices, if they are routine, the intention is to help those involved with the CAM integration to better understand the economics of network-delivered services. Any clarifying perspectives welcomed.

Contact: JOHN WEEKS, via return e-mail (pihcp@aol.com) or phone: 206-933-7983.

2. BASTYR PRESIDENT JOSEPH PIZZORNO TO RETIRE FROM PRESIDENCY

No non-MD CAM provider has arguably had more impact on the maturation of the alternative medicine professions and the integration medicine movement than JOSEPH PIZZORNO, JR, ND, president of BASTYR UNIVERSITY. When Pizzorno co-founded Bastyr in 1978 with a vision of "science-based natural medicine," most viewed the notion itself as an oxymoron, at best. At a 20th anniversary celebration of the University two years ago, a graduate who was one of the 31 students in Pizzorno's first naturopathic medicine class recalled Pizzorno's wildly visionary ambitions. Despite the administration's location in a rented room at a community college, a start-up grant of $200 from one of his own patients, and no formal institutional accreditation in the history of the naturopathic or acupuncture professions, Pizzorno spoke of developing an institution which would one day be looked to for guidance by leading health care decision-makers across the health care spectrum. When Pizzorno announced his decision to retire on September 30, 1999, the University could boast the following: 1,100 students in diverse, accredited, natural health programs; a budget of over $7 million; the first institution chosen by the NIH as an Alternative Medicine Research Center; appointments of University personnel to a handful of federal advisory panels; and co-creation of the nation's first, government funded, integrated natural medicine clinic. Pizzorno's own appointments include the MICROSOFT CORPORATION HEALTH CARE ADVISORY BOARD and a position on the SEATTLE/KING COUNTY BOARD OF HEALTH. During his presidency, Pizzorno co-authored the groundbreaking TEXTBOOK OF NATURAL MEDICINE (1985, with its seven-ring binder form regularly updated, then published in hard-bound by CHURCHILL-LIVINGSTONE in August), THE ENCYCLOPEDIA OF NATURAL MEDICINE (100,000 copies of the 1998 edition sold in the first four months) and TOTAL WELLNESS. In a letter to friends of the University which accompanied the release, Pizzorno spoke of his "wish to focus my professional and creative energies more directly on the development of science-based natural medicine and its integration into our culture." Details of his next professional involvements were not provided. The transition is anticipated for June, 2000. Pizzorno, who is to be involved in the selection of his successor, is expected to have an as yet undefined affiliation with Bastyr following his retirement. (Note, by way of disclosure: INTEGRATOR editor JOHN WEEKS collaborated closely with Pizzorno on a variety of projects during the decade from 1983-1993.) Contact: Lee Tucker Therriault: 425-602-3107.

3. MILLIMAN & ROBERTSON FREE REPORT ON PRICING A CAM BENEFIT

The international consulting and actuarial firm of MILLIMAN & ROBERTSON has produced a small "Research Report" booklet entitled: “Considerations in the Design and Pricing of an Alternative Medicine Benefit.” The 13-page marketing booklet, written by THOMAS SNOOK, an
M&R principal and consulting actuary in the firm’s Phoenix office, while initially disappointing -- there is little new data here -- includes some useful pearls. The major value may be particularly felt by those integration professionals wishing to gain a better understanding of an actuary’s public thought processes relative to the field. Reference to the usefulness of unpublished, proprietary insurance company and network data is frequently made, followed by a tantalizing: “M&R is currently gathering insurance-based utilization data for alternative medicine services. The advantage of using a consultant for this information is that it avoids the proprietary issue altogether.” One place where hard numbers are offered is chiropractic data from M&R’s “Health Cost Guidelines.” Office visits per 1,000 insured member per year for these demographic categories were as follows: all employees (1,119); male employees (972); female employees (1,306); all spouses (1,254); all children (162); and composite, all members (815). Note that Snook states that there is “significant variation by geographic area” which is not captured here. Snook also places a number on the extent to which PCP referral can reduce use of chiropractic: “[M&R] data indicates that PCP referral requirements can result in utilization rates that are 75% less than in plans that allow members to self-refer to chiropractors.” Snook’s involvement with CAM dates back at least to 1996-1997 when he advised a foundling Arizona network no longer active but then headed by KONRAD KAIL, PA, ND, an advisory board member to the NIH NCCAM. Snook is anticipated to be a speaker at the NMHCC east in Atlanta, April 16-19 (see below). For a copy of the report: Peter Cullum, Donley Communications (212-751-6126); for Snook: 380-348-9021.

4. NETWORK CONTRACTS: ASHP/BCBS ILL, AWHN/UNITED GA

A. ASHP IN BCBS ILLINOIS DISCOUNT

On September 28, 1999, BLUE CROSS BLUE SHIELD OF ILLINOIS announced that its 780,000 HMO members will have access to a discount CAM program which will be handled by San Diego-based AMERICAN SPECIALTY HEALTH NETWORK. Members affected are those with HMO ILLINOIS and BLUE ADVANTAGE. Discounts asked of providers will be at 25%. Announcing the product for the Blues plans was RICK ALLEGRETTI, VP sales for the firm’s HMO products. Members will be apprised of the product through “newsletters, brochures and (the firm’s) website.” Included services are chiropractic, acupuncture, massage, fitness centers (at a lower discount) and “a comprehensive internet source for complementary healthcare resources and information” through ASHN’s HEALTHYROADS.COM affiliate. This is the first significant ASHN contract announced outside of the firm’s former six-state region in the Southwest and Hawaii. ASHP is also expected to pick by the contract for the Texas Blues plans which are owned by the same firm which owns the Illinois plans. Contact: for BCBS Illinois, Tony Rau: 312-653-6701; and for ASHP, Christine Pink: 619-297-8100, x 3689.

B. AWHN PICKS UP UNITED DISCOUNT PRODUCT IN GEORGIA

A late September press account in an Atlanta paper included a brief aside that UNITED HEALTH CARE of Georgia has contracted with Wisconsin-based AMERICAN WHOLE HEALTH NETWORKS to offer its members a discount product. As reported here previously, United’s home office has been considering a national CAM strategy which was to have been announced mid-summer of this year. A September 30 call from the INTEGRATOR to United’s Minnesota offices revealed that the HMO was not yet ready to go public about any of the central office’s decisions.

5. CONFERENCES

A. US SENATOR HARKIN SLATED TO KEYNOTE NMHCC EAST CAM TRACK
An early heads-up on the CAM Track at the NATIONAL MANAGED HEALTH CARE CONGRESS scheduled for Atlanta, April 16-19, 2000: US SENATOR TOM HARKIN (D-IA) is anticipated to provide the keynote for the seven-session track. Harkin is Congress’ champion of increased funding for CAM research. Harkin led efforts to create the NIH CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE and the national commission on CAM which is anticipated to get under way soon. The presentation is tentatively scheduled for Monday, April 17. Harkin’s participation was made possible through his relationship with GEORGE DEVRIES, CEO of AMERICAN SPECIALTY HEALTH PLANS, the corporate sponsor of the track.

B. LOYOLA UNIVERSITY MEDICAL CENTER BOASTS ROLE IN CAM PROGRAM

A mid-September release from LOYOLA UNIVERSITY MEDICAL CENTER in Chicago spotlighted its involvement with the multi-site, video-based cardiovascular program sponsored by the PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA COLLEGE OF MEDICINE. The organization’s c-chair for its CAM task force, BRIAN OLSHANSKY, MD, director of cardiac pacing and electrophysiology in Loyala’s Cardiovascular Institute, was a featured speaker at the September 16 program. Contact: 708-216-3100 (Michael Maggio).

C. TURNOUT AT HOOPER, LUNDY & BOOKMAN CAM SEMINARS

The half-day CAM sessions in San Francisco and Los Angeles (September 21 & 22, respectively) sponsored by health-law firm HOOPER LUNDY & BOOKMAN were a resounding success, according to ANGELA MICKELSON, the HLB partner who put together the meetings. Roughly 100 individuals attended the two sessions, 70% in Los Angeles. A strong majority of attendees were representatives of health systems. The centerpiece of the program were presentations by KAREN VILLANEUVA, who heads up CAM work with El Segundo, CA-based THE CAMDEN GROUP, and a second by two principals with Rancho Mirage, CA-based EISENHOWER MEDICAL CENTER. Eisenhower is exploring development of a major integrative medicine facility. Camden is Eisenhower’s consultant on the project. For Camden: 310-320-3990. For HLB: 310-551-8170.

D. CONSENSUS MD TO PRESENT AT AAHP CAM LUNCHEON

BRIAN BOUCH, MD, a physician associated with CONSENSUS HEALTH, will be introducing new managed care administrators to the topic of CAM at a November 16 luncheon which is part of a three-day “Managed Care in Practice” session sponsored by the AMERICAN ASSOCIATION OF HEALTH PLANS. Last August, for the first time, the AAHP included a presentation on CAM at its basic training in managed care meeting. The August session drew roughly 100 attendees from HMOs throughout the United States.

6. MISCELLANEOUS

A. EVERGREEN HEALTH CARE SEEKS DIRECTOR OF INTEGRATIVE MEDICINE

EVERGREEN HEALTH CARE, located just east of Seattle, is seeking a new Director of Integrative Medicine. JANA PALLIS, who has held the position since it was created, is leaving. Located near BASTYR UNIVERSITY, the institution’s executives have been in discussion with Bastyr’s leadership regarding possible collaboration. The system is supported by a hospital tax. Pay is anticipated to be in the $60,000 to $90,000 range, depending. If you or one of your colleagues are interested, contact Leah Kliger: 425-334-5926.

B. CALIFORNIA NDs KICK OFF "MAJOR LICENSING CAMPAIGN"
On September 29, via a BWHealthWire announcement, the CALIFORNIA ASSOCIATION OF NATUROPATHIC PHYSICIANS kicked into high gear their ongoing work to create licensing for naturopathic physicians in the nation’s most populous state. Heading up the campaign are DAVID FIELD, ND, LAC and SALLY BLAKE LAMONT, ND, LAC. Naturopathic physicians have yet to gain licensing in any of the nation’s more populous states. Contact: 800-521-1200, or www.canp.org.

C. GREENFIELD FORMS NEW CAM CONSULTING GROUP

RUSSELL GREENFIELD, MD, a graduate last spring of the PROGRAM IN INTEGRATIVE MEDICINE fellowship founded by INTEGRATOR advisor ANDREW WEIL, MD, has started a new CAM consulting group: INTEGRATIVE MEDICINE GUIDANCE TEAM. The group’s focus will be on integrative clinic development, with other work branching into executive and corporate wellness and community outreach and education, according to materials provided to THE INTEGRATOR by Greenfield. IMGT will also “partner with established business consultants to provide additional expertise regarding business planning, billing and coding, credentialing and liability issues.” Greenfield is one of the team of professionals brought together by SOLUTIONS IN INTEGRATIVE MEDICINE for the two-day workshop focusing on integrative clinics and sponsored by CAMBRIDGE HEALTH RESOURCES last June. 520-615-2785; imgt@earthlink.net.

End
INDUSTRY/HEALTH News File #33, October 4, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #34, October 11, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. ELEMENTSWELLNESS CATCHES EYE OF WALL STREET JOURNAL
2. TWO ON EMPLOYER ACTIVITY: SURVEY FINDINGS, INCREASED ACTIVITY
3. TWO ON CAM/PUBLIC HEALTH: TCM IN SF HOSPITALS, BASTYR
4. NETWORK ACTIVITY: CHP/INSURANCE, KAISER’S RELATIONSHIPS
4. CONFERENCES: HARVARD-STANFORD SPONSORS, AAMA, AAOM-AACO

THE INTEGRATOR
for the Business of Alternative Medicine
(c) Integration Strategies for Natural Healthcare 1999

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1. ELEMENTSWELLNESS CATCHES EYE OF WALL STREET JOURNAL
A reporter for the WALL STREET JOURNAL contacted THE INTEGRATOR last week on a story in development which spun out of an unusual wellness-oriented health insurance product created by ARNIE FREIMAN of ELEMENTS WELLNESS. The product, called the “Elements Whole Health Program,” focuses on what the formulators consider the five elements of wellness: physical, financial (stress), spiritual, self and relationship. Among the unusual services is the availability of a financial advisor. The WSJ reporter was interested in the extent to which insurance products which focus on the front end -- education and health promotion -- are available. The website includes core references on successes in corporate health promotion programs. Among the firm’s contracts are natural foods businesses FOOD FOR THOUGHT, WHOLE FOODS and BARBARA’S BAKERY. The firm is reportedly using a network supplied by FIRST INTEGRATED HEALTH of Los Angeles. Contact: elementswellness.com; 800-707-7159.

2. TWO ON EMPLOYER ACTIVITY: SURVEY FINDINGS, INCREASED ACTIVITY
A. CAM SURVEY RESULTS FROM EMPLOYEE BENEFITS GROUP

The INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFITS PLANS has posted at its website results of an April 1999 survey of a random sampling of its 3,700 members. Some useful findings include: 45% of respondents had personally used CAM, one-third of whom said they’d personally pay more for a benefit which includes CAM; just 19% of the employers offered any CAM other than chiropractic, while 2/3 offered chiropractic; 2/3 of respondents felt employers would be offering more CAM in the coming years; and 46% believe that acupuncture will be as broadly covered in 10 years as chiropractic is today. One finding underlines the role of personal experience in evaluating CAM: on a question which sought to discover the “biggest obstacle” employers face in deciding to cover CAM, responses varied based on history of CAM use. Users named “ignorance and negativity” as the chief obstacle, while non-users pointed to “inadequate clinical research.” The survey data is available on the IFEBP website: ifebp.org.

B. CAM ACTION IN THE EMPLOYER WORLD: MERCER PERSPECTIVE

Recent News Files highlighted coverage of CAM in “BUSINESS AND HEALTH.” An interview this week with JANICE STANGER, who heads up CAM for benefits consultant WILLIAM MERCER underlines the new activity. Stanger will soon have a CAM article published in COMPENSATIONS AND BENEFITS MANAGEMENT and was also approached to write another article by the AMERICAN COMPENSATION ASSOCIATION, which she described as a “one of the leading human resources associations.” Stanger, who has the lead role in the CAM portion of the MERCER/FOSTER HIGGINS survey data reported in THE INTEGRATOR last May, will also present on CAM at the association’s May 2000 meeting. A second round of the Mercer/Foster Higgins data will be available next spring. Stanger said “there is a growing awareness and interest (among employers), it’s coming onto their radar screen.” 415-743-8839

3. TWO ON PUBLIC HEALTH: TCM AND SF HOSPITALS, BASTYR
A. TCM INTEGRATION INTO SF HEALTH SYSTEM GAINS SUPPORT

San Francisco commissioner MABEL TANG is drawing up legislation to promote the integration of traditional Chinese medicine -- acupuncture and herbal formulas -- into SAN FRANCISCO GENERAL HOSPITAL, a second city-owned hospital, and the city’s community clinics. The decision followed a September 21 hearing on the idea, during which commissioners heard broad public support for the proposal in a city with a significant Asian population. One organization presenting a formal resolution advocating integration is the SAN FRANCISCO LABOR COUNCIL. The grassroots campaign for TCM integration is led by GEORGE WEDEMEYER, a Qi-gong practitioner and health care reform coordinator for the Labor Council. Providing what Wedemeyer told THE INTEGRATOR was “the push behind it” were the acupuncture for addiction programs
promoted by the NATIONAL ACUPUNCTURE DETOXIFICATION ASSOCIATION. (A survey of San Francisco residents recently concluded that the City’s growing population of street people and panhandlers is the single most important election issue for city races.) Tang’s resolution is expected this month. According to Wedemeyer, Tang “has the votes” to pass and get the integration process moving. For Wedemeyer: 415-744-5590, ext. 239.

B. PUBLIC HEALTH AND CAM: BASTYR PANEL INVOLVES TOP OFFICIALS

On October 8, Washington state leaders of public health at the federal, state and local levels participated in a three-hour panel for naturopathic medical students at BASTYR UNIVERSITY. The panel was part of course taught by HENRY ZIEGLER, MD, MPH, prevention director for the SEATTLE KING COUNTY DEPARTMENT OF PUBLIC HEALTH. Joining him on the panel were MAXINE HAYES, MD, MPH, the acting director of the state’s DEPARTMENT OF HEALTH, and RICHARD LYONS, MD, the administrator for REGION X US PUBLIC HEALTH SERVICES. The consonance in values between public health and natural health was explored. One concept raised: Might there be a potent political partnership between public health and CAM which could advance both from the relatively low stature each has relative to conventional, disease-oriented medical care? The prime mover behind the panel was Bastyr’ associate dean for naturopathic medicine, PAMELA SNIDER, ND, who co-chairs a two year public health integration effort called BUILDING BRIDGES with Lyons. (This unique, two-year-old, ongoing collaborative exploration between Bastyr and public health leaders in the state was featured in the Viewpoint in the April INTEGRATOR.) INTEGRATOR editor-publisher JOHN WEEKS, a Building Bridges participant, was brought in to moderate the lively discussion. A discussion piece created prior to the meeting is available to I/H subscribers on request. For Snider: 425-602-3123; for a copy of the discussion piece, request by return e-mail, or 206-933-7983.

4. NETWORK ACTIVITY: CHP/INSURANCE, SIERRA/AVANTE, LANDMARK

A. CHP PLANS FILES FOR OREGON INSURANCE LICENSE

One sign of the expansion of CAM networks into new markets was the filing last June by Portland, Oregon-based COMPLEMENTARY HEALTHCARE PLANS (CHP) for an insurance license. Though CHP was filing in his own state, a principle reason for CHP’s move was that “our competitors have licenses,” CEO RICHARD BRINKLEY told THE INTEGRATOR. Yet no other Oregon-based network has a license. However, at least two California-based networks licensed to accept risk in California are known to be exploring expansion of their operations across their state’s northern border. Brinkley expects to use the license to “focus on carrying risk for ERISA (Employee Retirement Income and Security Act) groups.” The application is anticipated to take 6-12 months. 503-203-8333

B. LANDMARK SELLS TO EMPLOYER GROUPS AS SMALL AS TWO

A review of the website for LANDMARK HEALTHCARE recently found that the firm is offering it’s insured CAM benefit to employer groups with as few as two employees. The Sacramento-based firm has also added credentialed networks of massage therapists and is in the process of adding nutrition services to its core business of chiropractic and acupuncture services. landmarkhealthcare.com

C. KAISER AND NETWORK BUSINESS

A brief review of INTEGRATOR back issues suggests that the continuing regional autonomy in national HMO KAISER is evident in CAM network selection by Kaiser’s regional plans. While the review is not exhaustive, known contracts include: Northwest Permanente/COMPLEMENTARY HEALTHCARE PLANS; California and Hawaii/AMERICAN SPECIALTY HEALTH PLANS; Mid-Atlantic/AMERICAN CHIROPRACTIC NETWORK for chiropractic and LANDMARK
HEALTHCARE (for other CAM); and Kaiser affiliate, GROUP HEALTH COOPERATIVE OF PUGET SOUND/AMERICAN WHOLEHEALTH NETWORKS.

4. CONFERENCES: HARVARD-STANFORD SPONSORS, AAMA, AAOM-AACO

A. CORPORATE SPONSORS FOR HARVARD-STANFORD CONFERENCE

The list of corporate sponsors for the HARVARD-STANFORD conference on practical applications have been finalized. Included are two natural products related firms (METABOLIFE, PHARMAPRINT), a publisher (MICROMEDEX), a government agency (NIH NCCAM) and a CAM network business (ALIGNIS). Each made educational grants of at least $10,000 to support the program. Sponsorships for the Harvard/Eisenberg regular spring meeting are currently being sought. lgershaw@pmpmeeting.com

B. AMERICAN ACADEMY OF MEDICAL ACUPUNCTURE SYMPOSIUM 2000


C. AAOM LINKS WITH AA COMPLEMENTARY ORTHOPEDICS ON COURSE

The AMERICAN ASSOCIATION OF ORIENTAL MEDICINE has linked with the AMERICAN ACADEMY OF COMPLEMENTARY ORTHOPEDICS to offer a modular course which provides "hands-on" and advanced techniques in orthopedic care. The course and academy are headed up by ALON MARCUS, DOM, LAC, DAAPM, and includes instructors who are chiropractors as well as medical doctors. The first of the two-day sessions is December 4-5. All sessions are in San Francisco. $270-$300 per two-day session. Contact: alonac@aol.com; for information: www.kober.com/course.htm

5. PERSONNEL MOVES: TULLY/ALIGNIS, ROBINSON/IMC, SANCHIS LEAVES ASHN

A. CELIA TULLY, until recently an East Coast business development executive with LANDMARK HEALTHCARE, has taken a position as vice president for business development and marketing with ALIGNIS. Tully’s departure from Landmark was part of the firm’s recent layoff/re-structuring which involved nearly two dozen off its roughly 175 employees.

B. MARCY ROBINSON, known in CAM circles through her development and management of CAM educational programs dating back to a two-day session offered by CAMBRIDGE HEALTH RESOURCES in February, 1997, has left her base at CAMBRIDGE HEALTH RESOURCES to take a position across town at INTEGRATIVE MEDICINE COMMUNICATIONS. Robinson’s contributions have included leadership with the CASA COLINA conference in Los Angeles in March, 1998, and the partnership with SOLUTIONS IN INTEGRATIVE MEDICINE for the June 1999 session on integrative clinics. For Robinson: 617-641-2300 x 214.

C. ANNIE-CLOUDE SANCHIS, former vice president for network development with AMERICAN SPECIALTY HEALTH NETWORKS, recently left ASHN. Sanchis is presently seeking new work in the CAM arena. 619-291-9144

End
INDUSTRY/HEALTH News File #34, October 11, 1999

________________
INDUSTRY/HEALTH SUBSCRIBER
1. AMTA RELEASE RESULTS OF THIRD ANNUAL CONSUMER SURVEY

The third annual consumer survey sponsored by the AMERICAN MASSAGE THERAPY ASSOCIATION found that 51% of respondents believe that “massage can benefit people of all ages.” The survey, conducted by OPINION RESEARCH CORPORATION, in Princeton, NJ, involved interviews with 1008 adults. Use of massage is growing; since AMTA surveying began in 1997, the percentage of respondents who had had a massage in the previous five years steadily rose from 17% to 22% to 27%. (Note that this data is looking at use over a five year period, not over the previous 12 months.) Notably, those responding in the affirmative among seniors (65 and up) doubled, from 8% in 1997 to 16% in 1999. The fastest growth, however, is among the aging Boomers (55-64): 35% in 1999 versus 19% in 1998. One of three respondents (34%) had a massage which fit into the survey instrument’s broad view of “medical reasons.” The top reasons, among these users: relaxation (21%), relief of muscle soreness (15%) and stress reduction (13%). Confronting the frequently-stated challenge by insurers that “feel good massage” should not be a covered benefit, a release from AMTA notes that just 8% of users had massage “just to pamper themselves.” Exploring the same question from a different angle, the survey found that 50% of respondents view massage as “something therapeutic,” 19% said it “feels good” (23% in 1998) and 24% said it is both therapeutic and feels good (19%). [These changes suggest a subtle shift toward more of a therapeutic view. Perhaps the American consumer is quietly arranging to make a stronger case for payment for massage. -- JW] Not surprisingly, significant demographic and gender variations were found: women were almost over 50% more likely to have had a massage in the previous 12 months as men (18% vs 11%), and those on the West Coast more than Southerners (23% vs 12%). AMTA reports its present size as 40,000 members. 847-864-0123; www.amtamassage.org.

2. TWO ON ESTIMATES OF SIGNIFICANT COST SAVINGS VIA CAM
A. **ACAM PUSH FOR CHELATION AS OPTION TO BYPASS**

Expect TED ROZEMA, MD, incoming president of the AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE, to make a strong push for greater insurance coverage for chelation therapy as part of his presidency. Rozema attended the NATIONAL MANAGED HEALTH CARE CONGRESS with a cost-case for the controversial alternative to bypass in hand. The most conservative ACAM estimates in the document ask use to consider the potential savings if 5% of current bypass patients received chelation instead, and that just 60% of these patients did NOT subsequently require bypass. The nationwide savings: $750 million.

Interestingly, while costs hit break-even in the chelation-promoting association’s data if chelation treatment prevents bypass in just 20% of patients, literature distributed by the organization argues that bypass is rendered unnecessary in over 80% of cases. (Savings estimates in this scenario: $1.5 billion.) The political economic intensity in the “chelation versus bypass” debate may be the most profound in all of “alternative” medicine: what is arguably the most lucrative cash producer in CAM -- performed mainly by ACAM’s CAM-oriented medical doctors and osteopaths, but also by chiropractors and naturopathic physicians in some jurisdictions – is pitted against one of the most cost-intensive and lucrative of mainstream medicine’s procedures. Rozema hopes that rising cost pressures will prompt more health systems and HMOs to partner on exploring cost-offset research. For ACAM’s clinical and cost data: 800-532-3688

B. **SAVINGS VIA NUTRITIONAL PRODUCTS IN PHARMACEUTICAL STEP THERAPY**

The August-September 1999 INTEGRATOR published estimates provided by MICHAEL LEVIN, COO of Portland, Oregon-based TYLER ENCAPSULATIONS, on the potential cost-savings by shifting patients from conventional cholesterol-reducing agents to a well-researched natural product. At the NATIONAL MANAGED HEALTH CARE CONGRESS, Levin, a long-time pharmaceutical executive before taking his present position, offered data relating to two other categories of pharmaceutical interventions: antidepressants and gastrointestinal drugs. Levin’s argument imbeds appropriate nutritional intervention into pharmaceutical “step therapy” -- the idea that lowest cost options should be used first. (Note: The concept aligns neatly with the CAM/Hippocratic notion of the “therapeutic order” -- using the least invasive approach first.) Levin’s well-documented estimates, based on a 10% switch in use toward natural alternatives, are that a participating HMO would save $1.8 million per year per million covered lives on depression treatment and $1.2 million per year per million covered lives on a nutritional GI approach. The cholesterol data works out to just under $1 million per year per million lives. Each approach uses some of the best researched of natural agents. Levin projected the savings at just a 10% shift toward the CAM approach. However, one might estimate that, were an HMO to allow patient choice (“are you interested in trying a CAM alternative?”), a more appropriate multiplier on the per member monthly savings might be at 20% or 30% of patients. Potential annualized savings in Levin’s scenarios would double or triple. Levin is seeking health system, physician group and HMO partners to explore these potentially beneficial approaches. 503-661-5401

3. **KEY NIH-CAM POSITIONS: STRAUS, KATZ**

A. **STEPHEN STRAUS, MD, NEW NCCAM DIRECTOR**

The NIH went inside the organization to select the new director of the NIH CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE. Named on October 5 was STEPHEN E. STRAUS, MD, who has served since 1991 as the Chief for the Laboratory of Clinical Investigation at the NIH’s INSTITUTE OF ALLERGY AND INFECTIONUS DISEASE (NIAID). Straus has been with the NIH most of his career. His research interests include early work on chronic fatigue syndrome, HIV/AIDS and human and viral infections. INTEGRATOR queries to NIH-funded researchers involved with CAM yielded no information on any CAM-oriented research by Straus. The NCCAM release stressed Straus’ “experience related to many diseases for which there are alternative remedies.” His predecessor as acting director, WILLIAM HARLAN, MD, will return to
his post as head of the NIH OFFICE OF DISEASE PREVENTION. For the NCCAM Press Office: Anita Greene, 301-496-1712; ag19d@nih.gov.

B. SHEILA KATZ FIRM TO HEAD WHITE HOUSE COMMISSION ON CAM

The early News File notice (#33) that SHEILA KATZ, PHD, is in line to be named to head up the important national commission on CAM appears to be firm. The White House is expected to announce the commission at the end of October, with Katz in the leadership position. Katz’ background in CAM, like that of Straus, appears at this time to be limited. No details from the NIH office have been made available. The White House sponsorship has long been sought for this initiative, which was funded by Congress late in 1998.

4. MORE ON AWH/WHOLE FOODS $20 MILLION WEB VENTURE

A report in the October issue of NATURAL BUSINESS casts additional light on the partnership between AMERICAN WHOLEHEALTH and natural foods giant WHOLE FOODS MARKET INC (WFMI) which created WHOLEHEALTHMD.COM. This site will be linked to WFMI’s WHOLEPEOPLE.COM site, through which products will be sold. Natural Business, viewing the story from the Whole Foods perspective, reported a September 23 conference call for investors, industry analysts and media which reportedly “left some edgy.” In the conference call, WFMI announced letters of intent with “a group of unnamed capital investors” for $35 million, which will represent a 13.5% minority interest in WholePeople.com. The investment is based on a “pre-money valuation of $260 million for WholePeople.com. In addition, WFMI purchased a $3.6 million, 16.4% minority stake in REALGOOD TRADING CO, a retailer of environmental and renewable energy products. WFMI also engaged the $20 million web-deal with AWH and announced an intent to potentially roll out up to 50 AWH clinics as adjuncts to WFMI’s natural supermarkets. The new web venture will be run out of WFMI’s natural product subsidiary AMRION. A senior editor from NETSCAPE, JANICE CROTTY will be VP of product development, and TIM LEFKOWITZ of PRICEWATERHOUSECOOPERS will be VP of Business Development. Natural Business attributed the “edginess” to investor concerns with both Amrion and WholePeople.com, each of which as been “under-performing.” The two divisions will be spun off so WFMI can focus on its core business of retailing. (Interestingly, the link of these two divisions to American WholeHealth and to American WholeHealth Networks is an alignment with two entities which may each be viewed as “under-performing.” The AWH branded clinic venture, now at 10 facilities, initially announced plans three years ago to have 50-100 clinics in operation nationally by 2000. AWHN, the network arm, presently caught with the rest of the network business in the difficult world of discount/affinity-oriented market, appears to be significantly off its own projections reported in the 1998 INTEGRATOR CAM NETWORK CEO SURVEY.)

5. STUDY OF ARTHRITIS PATIENTS: 2/3 USE CAM

The September 21 issue of the ANNALS OF INTERNAL MEDICINE included a report headed by JAYA K. RAU which found that, among 232 patients with rheumatoid arthritis, 2/3 had used some alternative medicine. At the time of the survey, 56% of those who had ever used CAM were presently using CAM, or roughly one-third of the total studied. The users tended to be CAM explorers: 24% had tried at least three types of CAM. The patients were studied in a range of clinical settings, including a municipal hospital which cares for the poor, a veteran’s hospital, a FFS specialty practice and three private rheumatology practices. One interesting finding: of those who mentioned CAM use to their conventional physicians, 71% approved continued use of CAM and just 14% of the physicians “told them to stop.”

6. NETWORK BUSINESS: ALTERNARE UPDATE
A recent provider letter from ALTERNARE notes the following client list. In Oregon: LIFEWISE, PACIFIC HERITAGE ADMINISTRATORS, QUALMED (chiropractic only on June 1, 1999, with expansion to other providers, Fall 1999); CENTRA (CITY OF PORTLAND, 10,000 employees, also as of June 1), and OREGON HEALTH SCIENCES UNIVERSITY OHSU workcomp. In Washington: 3 Blue Cross plans/affiliates (PREMERA, MSC, HEALTHPLUS), UNITED HEALTHCARE, plus some TPA, labor and workers comp business (TRUSTED PLANS SERVICE CORPORATION, THE TPA, PACIFIC HERITAGE ADMINISTRATORS, HEALTHCOMP and CORVEL.) In the newsletter, Alternare also noted its interest in taking articles from network providers for the firm’s website. www.alternare.com

7. HOUSES BACKS MOVING CHIROS INTO VETERANS’ SERVICES

On September 30, the US HOUSE OF REPRESENTATIVES passed HR 2116, the VETERAN’S MILLENIUM HEALTH CARE ACT, which includes a provision which requires the US Secretary of Health, “after consultation with chiropractors,” to established within 120 days a policy “regarding the role of chiropractic treatment in the care of veterans.” The report on the bill from the HOUSE VETERAN’S AFFAIRS COMMITTEE cites research support, “the growing use of complementary care in traditional medical practice,” and an expressed intent that the Secretary’s report “permit greater access to chiropractic care, particularly in rural and underserved areas.” The bill has been strongly backed by the AMERICAN CHIROPRACTIC ASSOCIATION and the profession’s ASSOCIATION OF CHIROPRACTIC COLLEGES. For the ACA: Teri Howell, 703-812-0247, End

INDUSTRY/HEALTH News File #35, October 21, 1999

_____________________

INDUSTRY/HEALTH SUBSCRIBER

News File #36, October 25, 1999

A Service for the INDUSTRY/HEALTH Subscriber
to THE INTEGRATOR for the Business of Alternative Medicine

1. HALLMARK HEALTH ADDS PEDIATRIC CAM
2. CHIRO AS PCP PILOT WITH BLUES/HMO ILLINOIS GAINS EXPOSURE
3. CAM NETWORKS MOVE TOWARD WEB-BASED PRODUCT SALES
4. SEATTLE ACUP SCHOOL LINKS WITH CLINIC TO REACH THE UNDERSERVED
5. PHYSICAL THERAPIST PERFORMANCE OF MANIPULATION AFFIRMED BY HCFA
6. NETWORK NEWS: HEALTHSAVER, ASHP/KAISER, AWHN/N-CAM
7. CANADIANS: HERBS AS EFFECTIVE AS PRESCRIPTION DRUGS, SAYS SURVEY

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 1999

_____________________

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

_____________________

---
1. HALLMARK HEALTH ADDS PEDIATRIC CAM

A firm which bills itself as “the largest independent health care system in the state of Massachusetts” has announced plans to add massage, Reiki, shiatsu and foot reflexology to care for expectant mothers and their newborns. The Malden-based HALLMARK HEALTH CORPORATION, a 1,200 physician, 4,600 employee group, cited “numerous studies that confirm the benefit of alternative therapies” for pregnant women. The list of well-researched CAM approaches for mothers included: muscle flexibility, blood pressure stabilization, improved circulation, ability to withstand contractions, muscle pain reduction, enhanced breast feeding and hastening of healing and of sleep. For CAM treatments for newborns and premature infants: improved sleep patterns, enhanced bonding, diminishing anxious behavior, reduced heart rates and stress hormones, strengthens respiration and cardiac output, and “may relieve colic, gas and constipation.” CHRISTINE CANDIO, R.N., M.P.A., C.H.E., who directs Hallmark’s Women’s and Children’s Service states: “This a valuable, new dimension of care that we believe will become increasingly popular.” The firm is partnering with the HUGGINS CENTER FOR ALTERNATIVE THERAPIES, in Melrose, MA, for the program. Contact: Kathleen Franzese at 781-388-4093; or www.hallmarkhealth.org.

2. CHIRO AS PCP PILOT WITH BLUES/HMO ILLINOIS GAINS EXPOSURE

On October 21, 1999, a headline in an article in the CHICAGO TRIBUNE stated, simply: “Chiropractors Get Blues Stamp of Approval.” The reference was not to the competition on discount offerings between Rush Prudential/AWHN and the Blues/ASHP. Rather, the article, by reporter Bruce Japsen, focused on the pilot project between Chicago-based network, ALTERNATIVE MEDICINE INC, and HMO ILLINOIS, a 700,000 member Blues plan which allows their members to choose one of AMI’s 16 credentialed chiropractors as their primary-care physician. DAVID WICKES, DC, senior VP and provost of NATIONAL COLLEGE OF CHIROPRACTIC, spoke of the AMI model as “starting to pick up speed because it’s a recognition of a function chiropractors have been filling for years.” The benefit provokes an array of comments. The president of the ILLINOIS ACADEMY OF FAMILY PHYSICIANS said she would oppose a plan that gave chiropractors gatekeeper status without supervision of an MD/DO. However, ALLAN KORN, MD, a senior VP with the Chicago-based BLUE CROSS BLUE SHIELD ASSOCIATION defended the pilot by noting that the AMI credentialing of chiropractors was through a committee which included MDs. Said Korn: “The public seems to be saying that we like these people and we trust them. At the end of the day, it represents a group of chiropractors and a group of doctors who have said we trust each other and we can work together.” AMI is presently engaging a major push to increase those choosing AMI during open enrollment. A statement from HUMANA spokeswoman MARY SELLERS noted her plan didn’t anticipate following suit anytime in the near future. AMI co-founder RICHARD SARNAT, MD, noted in a presentation at the NMHCC West on October 18, 1999, that he expects to prove his model “not disease by disease -- it would take a lifetime -- but by comparison with normative and with (conventional) utilization.” Sarnat’s firm is at risk on the benefit, receiving in the area of $40 PMPM to manage all outpatient services. The PCCP (primary care chiropractic physician) network is backed by networks of conventional service providers. For AMI, ZECHMAN, CEO: 847-433-9946.

3. CAM NETWORKS MOVE TOWARD WEB-BASED PRODUCT SALES

A. I/H BREAKFAST CLARIFIES CRUCIAL ROLE OF PRODUCT SALES FOR NETWORKS

The October 18, 1999, breakfast gathering of 17 INDUSTRY/HEALTH subscriber executives provided a kind of answer to the question of the hour: “Is there life after discounts?” The short
answer, besides patience until more CAM is covered: natural product sales. Under some estimates, the only way networks can “give away” discount products is that, at least under hopeful projections, networks may have an opportunity to create significant revenue through product sales to a quasi-captive audience of HMO members. Some conservative estimates suggest that network revenues off product sales may rapidly reach $0.15-$0.25 PMPM for networks which have moved into this arena. So while a discounted “affinity” product for members to access a credentialed network of suppliers could be given away or run as little as $0.00-$0.05 PMPM, the network could potentially make a handsome return on the product side of the business. One somewhat disconcerting side-effect of this possibly necessary business venture for networks: the focus of network “integration” activity would reasonably be expected to shift away from provider-driven services toward maximizing returns on product sales. Integration of CAM and conventional providers -- the labor base of CAM integration -- may receive less attention. Ironically, the CAM network industry may be moving, from different but still economic pressures, toward a strong pharmaceutical focus -- albeit natural products -- even as a similar shift toward increased reliance on pharmacy is underway in conventional outpatient medicine. There, time pressures on providers is prompting significant increases in prescriptions. In both instances, time with providers moves to the back seat.

B. CURRENT STATE OF NATURAL PRODUCT SALES ONLINE

Jockeying for leadership in online natural products sales is a regular part of the daily newswires. The most recently claimant to leadership is VITAMINS.COM, which stated that it’s on a $15-million annualized “run rate” in online sales, with volume up 300 percent in one month, and 1,000 orders a day, according to ROBERT HAFT, president. The firm has already spent $3-million on advertising and is in the midst of a $7.5 million fall campaign targeting 10 major cities. The campaign’s theme: “Vitamins Cost Too Much,” is surely not a warming message for networks which are trying to escape their industry’s own discount environment. Vitamin.com offers free shipping and $25 off on first orders. The firm, founded in 1997, offers vitamins, herbs, supplements and natural cosmetics traditionally found in health food stores at 20 percent to 50 percent below store prices. Besides operating the Vitamins.com website, the firm has 10 “click and mortar” demonstration stores and a direct retail catalogue operation. Projected 1999 revenues for Vitamins.com are $28 million. The competitiveness of the “e-tailing” of natural products, as well as the attractiveness of these initiatives to venture capital, is described in an article in the September issue of NATURAL BUSINESS. Vitamins.com lost $5.7 million from its April 1998 inception through March 31, 1999. In the first quarter of 1999, the firm had $1.9 million in net sales and $1.89 million in losses. MotherNature.com lost $15-million on $954,650 in sales in the first half of 1999. MATT PATSKY, managing director with ADAMS HARNESS & HILL argued that three or four players will end up controlling most of the “healthy living e-commerce market.” Noted to watch were: HealthNotes Online, MotherNature.com and Healthshop.com. The question for networks is whether their “discounts” on products can compete with the cutthroat discounting among the larger dot-com firms seeking to become one of the handful of survivors and industry leaders.

4. SEATTLE ACUP SCHOOL LINKS WITH CLINIC TO REACH THE UNDERSERVED

On October 12, 1999, the NORTHWEST INSTITUTE OF ACUPUNCTURE AND ORIENTAL MEDICINE announced an affiliation with the CAROLYN DOWNS FAMILY MEDICAL CENTER to offer acupuncture services. The clinic has a high minority and underserved clientele, and acupuncture will be offered on a sliding scale with none denied, according to NIAOM’s clinic supervisor DONNA CAREY. A NIAOM spokesperson reports three successes using moxibustion on turning breech babies. NIAOM’s students also offer services through a network of 14 community clinics, including one at HARBORVIEW HOSPITAL, a public hospital managed by the UNIVERSITY OF WASHINGTON. For CDFMC: Dawne Hood: 206/461-4587; for NIAOM, Julie Dittmar: 206/633-2419; www.niaom.edu
5. PHYSICAL THERAPIST PERFORMANCE OF MANIPULATION AFFIRMED BY HCFA

A September 29, 1999, PR Newswire statement includes the following useful comment on the ongoing battle between the AMERICAN CHIROPRACTIC ASSOCIATION and the nation’s physical therapists regarding performance of manipulation under MEDICARE. This battle is followed in THE INTEGRATOR in part as a bell-weather on future guild/standards issues in CAM reimbursement which other CAM professions may face. States Thomas Gustafson, director of the Plan and Provider Purchasing Policy Group within the Center for Health Plans and Providers at the Health Care Financing Administration (HCFA): “The Medicare statute requires Medicare managed care plans to make available all Medicare services, including physician services, to their Medicare enrollees. Physician services include manual manipulation of the spine to correct a subluxation. Plans must make available physicians to deliver this service to Medicare enrollees. These physicians may include any providers defined as physicians under Medicare law. This definition includes, but is not limited to, chiropractors. Plans may also use physical therapists to provide services as long as they operate in accordance with state law. The plans, however, cannot rely on physical therapists for this purpose to the exclusion of physicians.” The contact for the AMERICAN PHYSICAL THERAPY ASSOCIATION is Jennifer Hunt: 703-706-3216.

6. NETWORK NEWS: HEALTHSAVER, ASHP/KAISER, AWHN/N-CAM

A. NEW HEALTHSAVER DISCOUNT CARD GOES NATIONAL

HEALTHSAVER CLUB debuted this month with a new mainstream medicine plus CAM discount card. The firm uses a website (healthsaverclub.com) as well as an infomercial and direct mail to promote its services and networks. The club claims 18,000 chiropractors in its network, as well as 20,000 “alternative medicine providers.” Total providers -- CAM and conventional -- are anticipated to reach 300,000 by the end of the year. The marketing targets the uninsured, at 44 million and rising, according to LEILA CHANG, executive director of the firm. The cost of the card (“membership”) is $89 per person, per year or $109 per family, per year, with unlimited dependents. The firm is commencing $5 million marketing program. The focus is on Florida, with direct mail targeting 700,000 households. 877-468-5583

B. KAISER MID- ATLANTIC WORKING WITH ASHP ON NETWORK

KAISER-MID- ATLANTIC is reportedly contracting with AMERICAN SPECIALTY HEALTH PLANS on development of a CAM network. THE INTEGRATOR was informed of this by advisor ELLIOTT GREENE, LMT. Greene noted that massage therapists are actively being recruited in that now active CAM discount market. CONSENSUS HEALTH is recruiting for its contract with a Blue plan, CAREFIRST.

C. AWHN/N-CAM UPDATE

On October 19, AMERICAN WHOLEHEALTH NETWORKS formally announced its “acquisition” of the network of networks, N-CAM (National Complementary and Alternative Medicine). The reorganized group (see July and August-September INTEGRATORs) together with AWHN’s providers now total 12,000 CAM practitioners, down from the 30,000 published in early N-CAM releases. The AWHN release, announcing its 50% stake, positioned the enhanced network as “the only nationwide alternative medicine network,” in the release. In other N-CAM-related news, THE INTEGRATOR has learned that the former N-CAM members who left the fold following the July shake-out meeting may be exploring development of their own ongoing partnership. The source noted that part of the reason some networks left N-CAM was an AWHN requirement that N-CAM affiliates not compete with AWHN on managed care bids over a certain size. For AWHN, contact Andrew Aho: 651-426-4330.
7. CANADIANS: HERBS AS EFFECTIVE AS PRESCRIPTION DRUGS, SAYS SURVEY

The survey found that an over 2/3 of Canadians believe herbs can be as effective as OTCs, and 94 Percent believe herbal supplements are becoming more accepted by medial practitioners. The data, from an October 14 Gallup survey, was funded by Northern California-based TRADITIONAL MEDICINALS, a tea manufacturer. Close to one in five Canadians said they have been to a complementary and alternative medical (CAM) practitioner such as a naturopathic doctor, a medical herbalist or a homeopathic doctor.* The top reasons for not having consulted an alternative health practitioner were that the person does not get sick (22 percent) and that their health insurance does not pay for this type of service (17 percent). The study found that those who drink medicinal teas, 7 percent do so daily, close to 10 percent a few times a week, and 14 percent a few times a month. The reasons given for drinking medicinal teas ranged from maintaining or enhancing overall health and preventing specific health problems (54 percent), to treating existing symptoms or health problems (34 percent). In Canada, traditional herbal medicine is a fast-growing complement to conventional healthcare. Consumers spend $3.8 billion annually on "alternative" medicines and the natural products market is growing 15 percent annually. PHONE FOR TRADITIONAL MEDICINALS

End
INDUSTRY/HEALTH News File #36, October 26, 1999

_______________________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #37, November 4, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. EISENHOWER MEDICAL: INSIGHTS FROM CAM CLINIC IN DEVELOPMENT
2. LUCENT TECHNOLOGIES REPORT ON CAM BENEFIT
3. NEW GRANT AWARDS FROM THE NIH CCAM AND NIH ODS
4. EDUCATIONAL PROGRAMS: PIM/ASSOCIATE FELLOW, NYMC/HOMEOPATHY
5. MISCELLANEOUS: BOTANICAL STANDARDS, PCCPS, STANFORD

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 1999

_______________________________________

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

_______________________________________

1. EISENHOWER MEDICAL: INSIGHTS FROM CAM CLINIC IN DEVELOPMENT

Rancho Mirage-based EISENHOWER MEDICAL CENTER is in the process of developing an integrative clinic. JOSEPH MACK, VP for Physician Services and Network Integration, presented on the initiative at the September HOOPER LUNDY BOOKMAN CAM conference. The planning for the 10,000 square foot facility began, in part, based on the acquisition of a former bank
building adjacent Eisenhower which was purchased, Mack stated tongue-in-cheek, as part of the center’s “manifest destiny.” An October 23, 1997, mission statement of the Medical Executive Committee supporting a commitment to “provide preventative and wellness services” was presented as the authority on which the initiative was undertaken. CAM was part of the center’s plan. Mack noted that “the biggest challenge is proof that the services are complementary and will not do harm.” Research on the facility discovered CAM activity with three affiliates: 1) acupuncture and stress reduction at the BETTY FORD CENTER; 2) acupuncture and herbs at the DESERT ORTHOPEDIC CENTER; 3) acupuncture services provided by a medical doctor at DESERT EAR NOSE AND THROAT; and 4) acupuncture as pain management by two medical doctors at RANCHO MIRAGE ANESTHESIA CONSULTANTS. Core issues are governance/control, ownership/equity and compensation structures: “The physicians are open to it but the bottom line is money.” Interviews of 12 physicians found that 11 were supportive. Referral service inquiries found the following requests between September 1, 1997 and July 30, 1998: “holistic” (135), acupuncture (102), chiropractic (77), stress reduction (57), chelation therapy (45), massage therapy (5) and magnetic therapy (2). Mack noted that, despite consumer interest in chiropractic and chelation, “the medical staff is not ready” for offering them and they would not be included in service offerings. Top interest of the 12 interviewed physicians were: massage (10), medicinary (10), acupuncture (10) and meditation/relaxation (9). Mack, whose refreshingly candid presentation well-captured the internal challenges of integration, noted that he is essentially “functioning as a change manager -- we need to artfully manage how quickly we (integrate).” He views the integrative clinic as a “beachhead” with the least resistance, which can then create leverage” to help move CAM services “back into the hospital.” Eisenhower’s assessment is that the build-out will be three times more expensive than usual treatment facilities, at $150 per square foot. The model is not anticipated to be “an insurance vehicle.” A significant base for funding is anticipated to by philanthropy, where Mack anticipates “multiple opportunities.” The center is working with NATIONAL COLLEGE OF NATUROPATHIC MEDICINE on development of its natural pharmacy. CHRIS MELITIS, ND, Clinic Manager at NCNM, is the point person at the federally recognized naturopathic medical school. The medical center is working with KAREN VILLANEUVA of THE CAMDEN GROUP consulting firm on the project.

PHONE FOR EISENHOWER AND CAMDEN.

2. LUCENT TECHNOLOGIES REPORT ON CAM BENEFIT

A good grounding in an employer’s approach to CAM was offered by PAMELA KROL of LUCENT TECHNOLOGIES at the Stanford-Harvard “Practical Applications” conference on October 16, 1999. The firm budgets $800 million in annual healthcare expenditures for 110,000 employees and 120,000 retirees. The firm has offered chiropractic for over 10 years, with acupuncture added January 1, 1996. Each benefit requires a $10 co-pay on up to 60 visits per year. The benefits were negotiated through a combination of bargaining, competitiveness issues and “belief in the effectiveness of an integrated approach.” The 1999 data showed the following:

Chiropractic -- 65,903 visits by 6,141 unique patients, and a total of $1,085,745;
Acupuncture -- 1359 visits, 215 patients at a total cost of $47,249.

KROL noted that attributes of “21st Century Products” will be: demonstration of high employee satisfaction, cost-effectiveness measures include lost time from work, and a focus on consumers and consumerism. Put differently, cost of medical services is just one quadrant of concern, together with employee performance, satisfaction and quality. CAM networks pushing toward a national reach will note KROL's statement that the firm will continue to evaluate “comprehensiveness of networks and evaluation of alternative medicine products.”

3. NEW GRANT AWARDS FROM THE NIH CCAM AND NIH ODS
The NIH CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE (NCCAM) not only has a new, increased funding and a new advisory board. The NCCAM is also shaping up with a surprisingly new list of CAM research centers. Of the original 10 centers funded by the NIH, only two had their grants renewed: the UNIVERSITY OF MARYLAND program headed by BRIAN BERMAN, MD, and the program at COLUMBIA UNIVERSITY. Among those to lose center status were those at HARVARD/BETH-ISRAEL and STANFORD UNIVERSITY. Observations by those close to the NIH process ranged from shock that these internal CAM research teams, only recently established, would lose critical operational support, to comments that competitors had proposals which were more in line with the NIH’s historic research agenda. Some new developments at the NIH follow.

A. MINORITIES THE FOCUS OF MAHARISHI UNIVERSITY $8-MILLION GRANT

Fairfield, Ohio-based MAHARISHI UNIVERSITY OF MANAGEMENT was awarded an $8 million grant to explore the effectiveness of CAM approaches “for the treatment and prevention of cardiovascular disease in African Americans and other high-risk groups,” according to a September 30 release. Principal investigator is ROBERT SCHNEIDER, MD, who serves as the dean of the College of Maharishi Vedic Medicine. Schneider’s team has previously carried out research on grants totaling over $10.5 million. The first focus will evaluate the effects of Transcendental Meditation and antioxidant herbs. Other chronic diseases, including cancer, will also be studied. Collaborating institutions are the UNIVERSITY OF IOWA COLLEGE OF MEDICINE, MOREHOUSE SCHOOL OF MEDICINE, CHARLES R. DREW UNIVERSITY OF MEDICINE AND SCIENCES, and CEDARS-SINAI MEDICAL CENTER.

B. PORTLAND, OR-BASED CONSORTIUM: TWO GRANTS TOTALING $16 MILLION

An even broader consortium of institutions will participate in the research by the new OREGON CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE (OCCAM). Institutions include KAISER CENTER FOR HEALTH RESEARCH, OREGON HEALTH SCIENCES SCHOOL OF DENTISTRY, WESTERN STATES CHIROPRACTIC COLLEGE, NATIONAL COLLEGE OF NATUROPATHIC MEDICINE, OREGON COLLEGE OF ORIENTAL MEDICINE, PORTLAND VETERAN AFFAIRS MEDICAL CENTER and the LINUS PAULING INSTITUTE AT OREGON STATE UNIVERSITY. Also involved is the OREGON SCHOOL OF MASSAGE. Portland is the only metropolitan area in the U.S. which boast leading academic centers for all the CAM and conventional disciplines. Research headed by Kaiser’s ALEX WHITE, DDS, DrPh, will initially focus on two craniofacial disorders: temporomandibular joint disorder and periodontal disease. Focused grants for this work approach $8 million. BARRY AKEN, MD, based at OHSU, will be principal investigator on $7.8 million in studies looking at CAM in multiple sclerosis, age-related cognitive decline, and Alzheimer’s disease. A joint release form OCCAM noted that the conditions selected are ones in which “conventional treatments have not proven fully effective, while alternative treatments have shown promise but have not been scientifically tested.” Contact: Jerry Gersbach: 503-813-4820.

C. DIETARY SUPPLEMENTS OFFICE: $7.9 MILLION TO FARNSWORTH’S UIC GROUP

The NIH OFFICE OF DIETARY SUPPLEMENTS (NIH ODS) has granted $7.9 million to the UNIVERSITY OF ILLINOIS AT CHICAGO (UIC) COLLEGE OF PHARMACY to establish a CENTER FOR DIETARY SUPPLEMENTS RESEARCH ON BOTANICALS. Principal investigator is NORMAN FARNSWORTH, a research professor in pharmacognosy and a leader in his field since the era when the field almost disappeared. The school’s Natural Products Alert database was developed under Farnsworth’s direction. Initial focus of the center will be on women’s health and will be linked to UIC’s CENTER OF EXCELLENCE IN WOMEN’S HEALTH, funded by US HEALTH AND HUMAN SERVICES. Top ten herbs have been identified for study (Cohosh, Red Clover, Chaste berry, Hops, Dong Quai, Asian Ginseng, Gingko, Licorice, Cranberry and Valerian). The dietary supplements office is separate from NCCAM. The center
will also develop online continuing education and help to advance training opportunities for would-be pharmacognocists. With 11 on staff, UIC has the largest group in the United States. 312-996-8277

D. NIH ODS: $7.5 MILLION TO UCLA GROUP/PHARMANEX LEADERS

The UCLA CENTER FOR DIETARY SUPPLEMENTS RESEARCH: BOTANICALS will be created under a $7.5 million grant from NIH ODS. Principal investigator for the grant, which will look at the safety and efficacy of natural products, is DAVID HEBER, MD, who has directed UCLA’s CENTER FOR HUMAN NUTRITION. Co-director of the new Center will be LESTER MITCHEL, MD, from the UNIVERSITY OF KANSAS. Both professionals are involved with San Francisco, California-based natural products firm PHARMANEX, Inc. Heber chairs the firm’s Scientific Advisory Board, and Mitcher is a member. At least two products to be studied, red yeast and green tea, are key factors in top Pharmanex products, according to a release from the firm. Heber’s work on red yeast led to the developments of Pharmanex’s Cholestin product. www.pharmanex.com.

4. EDUCATIONAL PROGRAMS: PIM/ASSOCIATE FELLOW, NYMC/HOMEOPATHY

A. WEIL GROUP ANNOUNCES ASSOCIATE FELLOWSHIP

In an attempt to fan out its offerings to educate a broader array of physicians in integrative medicine, the PROGRAM IN INTEGRATIVE MEDICINE has announced a new “Associate Fellowship” offering. The initial class, to commence August 2000, is anticipated to be 40 physicians “from around the world,” according to a release. The fellowship will “emphasize clinical applications” and those completing the program would be prepared to both “make informed referrals” and “choose and integrate the most appropriate treatment modalities for patients.” The class will meet from three, one-week sessions in Tucson, with additional training via the web, tapes, online discussions, etc.. http://integrativemedicine.arizona.edu/af/

B. NEW YORK MEDICAL COLLEGE OFFERS HOMEOPATHY CME

On November 19-20, NEW YORK MEDICAL COLLEGE is offering a two-day course on “Medical Homeopathy.” The course is notable two reasons. First, this is the second CAM program offering through RAVINDER MAMTANI, MD, with the Department of Community and Preventive Medicine at the medical college, following an acupuncture program currently underway. Second, the focus on homeopathy is unusual. This natural health modality and system which, while bolstered by perhaps the best evidence base in CAM other than mind-body, according to the COCHRAN COLLABORATION’s CAM leader BRIAN BERMAN, MD, is the most difficult for the Western scientific mind to comprehend. Cost: MD, DO, DDS: $475; other health care providers: $295. White Plains, New York. For information: 914-594-4253

5. MISCELLANEOUS: BOTANICAL STANDARDS, PCCPS, STANFORD

A. RESEARCH BACKING ON QUALITY STANDARDS IN BOTANICALS

Woburn, Massachusetts-based APHIOS CORPORATION announced on November 3, 1999, that the firm had been awarded a fast-track SBIR grant from the NIH for what the firm believes may be an “improved St. John’s Wort product.” The grant is entitled “Method for Making an Improved St. John’s Wort Product.” Aphios claims to be improving the quality and manufacturing of St. John’s Wort by utilizing supercritical fluids and near-critical fluids w/wo polar cosolvents such as alcohols (SuperFluids(tm)). The firm is collaborating with Paracelsian, Inc., Ithaca, NY which has developed functional assays for herbs, botanicals and other dietary supplements. Aphios is developing research tools and industrial processes for the enhanced discovery, manufacturing,
delivery and safety of naturally derived and genetically engineered therapeutics for the treatment of cancer, AIDS, and other infectious diseases in a cost-effective manner. The approach, if successful, could leave to a "process patent" through which the firm could have more incentive to fund research using its methodology. For Aphios Corporation Trevor P. Castor, (781) 932-6933; aphios@aol.com

B. ANOTHER DISCOUNT PROGRAM POPS UP IN MARYLAND

INTEGRATOR advisor ELIOTT GREENE, NCTMB, notes that massage therapists in Maryland are now deceiving applications for yet another discount card, called Alliance Healthcare. The firm exhibited at the October national convention of the AMERICAN MASSAGE THERAPY ASSOCIATION. The Norcross, Georgia-based firm is attempting to attract providers by allowing providers to specify the level of discount that will be offered, with 20-35% recommended. President if THOMAS KISER, and VP for network development is JAMES MAHONY. 877-572-2244; www.alliancehealthcard.com.

C. CHIRO “PCCP” PRODUCT GENERATES SUBSTANTIAL MEDIA

Publicity during open-enrollment on CAM product delivered by ALTERNATIVE MEDICINE INC. for HMO ILLINOIS (a Blues plan) offering a chiropractor as PCP -- actually PCCP (Primary Care Chiropractic Physician) -- has stirred a good deal of media and feedback in the Chicago area. A report in BUSINESS INSURANCE (a Crane’s publishing product) The program now features 16 PCCPs, and expects to have 40 in place by 1/1/2000. NATIONAL COLLEGE OF CHIROPRACTIC is involved in credentialing standards. Some industry sources questioned the PCCP use of chiro. JOYCE COOK, VP for benefit planning at NMOPRTHERN TRUST BANK supports usual chiropractic coverage but adds: “It's a bit early to identify whether (using chiropractors as PCPs) is meeting a need.” MIKE PIKELNY a benefits consultant with HARTMARX noted both the potential value of a chiropractic benefit without a limit on visits, and his interest in seeing how many people would choose the PCCPs. A fellow named JOHN WEEKS is cited in the article as saying: “AMI's data collection efforts in conjunction with its link with HMO Illinois could lend more credibility to the use of alternative medicine as a way to reduce health care costs. We'll have the opportunity to look at the cost implications of treating people from a natural medicine standpoint.” JIM ZECHMAN from AMI states that, based on very early data from the first year of the pilot, with just 100 lives being covered: “We're seeing a reduction of more than 50% in medical costs.” JEROME MCANDREWS, DC, spokesperson for the AMERICAN CHIROPRACTIC ASSOCIATION states: “There have been rare instances where chiropractors were used as PCPs in HMOs.” No specific were offered. Finally, EDWARD HILL, MD, a member of the American Medical Assn.’s Board of Trustees, expressed “concern” that chiropractors may not have the broad comprehensive training necessary to effectively manage a person’s health care: “One of the hardest jobs in American medicine today is to be a good primary care practitioner.” Hill pointed out one inefficiency in the PCCP strategy: “Chiropractors don't have prescription writing or hospital admission privileges in most states. That could be a significant problem. I don't see how that would be very economical.” The story was written by Joanne Wojcik Kochaniec.

D. STANFORD CAM CLINIC PUSHES CAM CANCER CARE

The STANFORD COMPLEMENTARY MEDICINE CLINIC (see Feb-Mar 1999 INTEGRATOR) is sponsoring a series of courses for patients on supportive CAM care. The programs are lead by oncologist ERNEST H. ROSENBAUM, MD, who directs the Cancer Supportive Care Program at the clinic. In a release, Rosenbaum states that research shows that patients who are involved in their own care and who take an active role in their treatment feel better and do better, Rosenbaum said. He noted that exercise and diet can have measurable effects on combating illness, fatigue, depression and other common side effects of cancer chemotherapy, radiation therapy and immunotherapy: “Our hope is that once patients see the value of these coping
classes they will continue to choose others and sign up for regular programs to improve their coping skills and feelings of well being.” 650/498-5566.

End
INDUSTRY/HEALTH News File #37, November 4, 1999

____________________________
INDUSTRY/HEALTH NEWS FILE #38

November 16, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. HENNEPIN CAM CLINIC FINDS VALUE IN ADDITION OF A CHIROPRACTOR
2. TWO ON GUIDED IMAGERY ADVANCES IN INTEGRATION
3. MOTHERNATURE.COM CONTRACTS WITH AANP FOR WEB/PRODUCT
4. NETWORKS & DISCOUNTS (AHO/employers, California Business feature, plus)
5. MISCELLANEOUS (FAACT, APHA/Pizzorno, BU Entrepreneurship, plus)

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 1999

__________________________________________
AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

__________________________________________
1. HENNEPIN CAM CLINIC FINDS VALUE IN ADDITION OF A CHIROPRACTOR

One surprising finding of the “Benchmarking Integrative Clinic Development” INTEGRATOR survey is that chiropractors, despite their use by consumers, are frequently not included in the clinical mix in health system based clinics. One such clinic, the ALTERNATIVE MEDICINE CLINIC operated by Minnesota-based HENNEPIN MEDICAL ASSOCIATES, recently changed its mix to include a chiropractor and is benefiting from this change, THE INTEGRATOR recently learned. Clinic administrator DEBRA CANFIELD states that the July 1 addition of chiropractic services followed a two tier process of selection. Key factors in the selection were: 1) on musculoskeletal complaints, the DC generally would only see patients 6-10 before referring them on for other care; 2) the provider was part of a network, CHIROPRACTIFIC RESEARCH GROUP, which Canfield says is committed to moving chiropractors into both hospital and ambulatory care settings; and 3) the fact that the chiropractor does not restrict his services to manipulation, but also uses various postural modalities as well as self-care training. The latter “fits with our clinic’s philosophy,” states Canfield. The chiropractor is seeing steadily increasing numbers of referrals, says Canfield, “especially from our primary care clinics. The chiropractor also does a good deal of public speaking, to physician groups, clinic gatherings and to “community things.” PHONE

2. TWO ON GUIDED IMAGERY ADVANCES IN INTEGRATION

A. PIONEER ROSSMAN DEVELOPS PROGRAM WITH CONSENSUS/CA BLUE SHIELD
“It’s a scandal that guided imagery is ‘alternative’ when it should be part of every good therapeutic interaction,” states MARTIN ROSSMAN, MD, a co-founder of the Northern California-based ACADEMY OF GUIDED IMAGERY. In an INTEGRATOR interview, ROSSMAN spoke of the potential and challenges of creating a recognized status for practitioners of guided imagery. He believes that a good place to start is the educational standards developed by his academy, which has now certified over 650 professionals, the majority of whom are in California. CALIFORNIA BLUE SHIELD asked Rossman and his associates to develop an imagery-oriented stress management program for the insurer’s members and offered by the academy’s certified practitioners. The present construct is a three-session (originally 6 session) program, “Imaging Health,” which costs members $135 and includes, besides the classes, three tapes and a work book. The program has been offered to roughly 900-1000 people. The program is not a covered benefit but is offered through the CAM affinity program of the Shield plan. Ross states that outcomes are being collected and may be reportable by year’s end. Rossman is a member of the faculty in the department of medicine at UCSF. His co-founder of the academy is psychologist DAVID BRESLER, PhD, an associate professor of anesthesiology at UCLA. The training requires 150 hours, which includes a significant clinical component. Rossman states that private practitioners of “Interactive Guided Imagery” (IGI) will generally see patients from 3-10 sessions over a 2-3 month period, according to Rossman. Charges vary greatly, based on the professional offering the services, between $35 and $300 per session. From a coding perspective, “IGI is a kind of an orphan,” states Rossman. Usually E&M codes are used (99214 or 99215) or medical hypnotherapy. He notes that sometimes psychology/counseling codes may be used.

B. VHA: GUIDED IMAGERY FOR PATIENTS WITH POST TROUMATIC STRESS

The DEPARTMENT OF VETERANS AFFAIRS has announced that it will be using a specially designed guided imagery audiocassette to assist more traditional methods in treating veterans with post traumatic stress disorder (PTSD). The tape, entitled “Healing Trauma,” was developed by BELLERUTH NAPARSTEK, LISW and composer MARK KOHN, in response to a request from BEVERLY DONOVAN, PhD, director of a PTSD program at Brecksville, Ohio-based LOUIS B. STOKES VETERANS AFFAIRS MEDICAL CENTER. The tape is the 31st in the Naparstek’s “Health Journeys” series (Time Warner). She is also author of “Staying Well with Guided Imagery.” Some of these condition-specific tapes have been found to be effective for treatment of diverse medical conditions in trials at leading medical centers. Materials distributed by Naparstek note that the tapes are presently in use in some 300 health care institutions. The VHA’s Donovan will be supervising distribution of the tapes throughout the veteran’s system. For Health Journeys: 800-800-8661.

3. MOTHERNATURE.COM CONTRACTS WITH AANP FOR WEB/PRODUCT

At the annual gathering at the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS November 3-7, dot-com information and natural product vendor MOTHERNATURE.COM and the AANP announced a new relationship which may eventually have a significant impact on the natural product sales of some of the nation’s leading naturopathic physicians. Through a new program, which MotherNature.com calls “Wellness Advisory Network,” an AANP member has a series of “customized web pages” in which the provider’s philosophy and top products deemed to be efficacious might be listed. The member can order through the site, thereby cutting down on the need to maintain an inventory. Patients can also re-order through the site. The dot-com firm has committed to stocking products from professional lines favored by AANP member physicians. Such products can only be sold after a provider has prescribed them. SHEILA QUINN, AANP executive director, makes it clear to THE INTEGRATOR that the AANP’s decision to enter this arrangement “is not an endorsement of any specific product line, but rather of a system of access to product.” Over 50 separate firms are “Corporate Sponsors” of the AANP. MotherNature.com has already joined the more elite “Corporate Leader” group. Quinn noted that her organization “felt right working with people who care so much about what we do.” One sign of the value the firm has given the naturopathic profession was a decision to feature a leading naturopathic
educator-author, TORI HUDSON, ND, as a spokesperson when they announced survey data last summer on women’s use of natural products. (Hudson is a faculty member of NATIONAL COLLEGE OF NATUROPATHIC MEDICINE who, coincidentally, was acknowledged as “Naturopathic Physician of the Year” by the AANP at their recent convention.)

MotherNature.com anticipates rolling the product out to other professions but is “developing the product” first with the naturopathic physician organization. Under the arrangements, participating naturopathic physicians would no longer need to manage large, in-office pharmacies. The would still receive a percentage of profits on sales, and a fraction would go to AANP. One special benefit: A percentage of all additional purchases by the individual who is brought to the site by the naturopathic physician would also go to the naturopathic physician. While MotherNature.com already promotes the program to individual practitioners, the AANP is the first organizational affiliation. For AANP: 206-298-0126; for MotherNature.com: 800-207-3168.

4. NETWORKS & DISCOUNTS

A. ALTERNATIVE HEALTHCARE OPTIONS: COVERED CAM FOR SELF-INSURED

RICHARD DUNN, CEO of North Carolina-based ALTERNATIVE HEALTHCARE OPTIONS, recently shared with THE INTEGRATOR detail of covered CAM benefits his network has sold to self-funded groups in his base state. The first clients are THE MONEY CENTER, a mortgage company, and HOLZ-HER, each with roughly 150 lives. AHO is working with two separate third party administrators (TPAs) on the benefits, CORE SOURCE and NCAS, respectively. Besides credentialing providers, AHO is re-pricing (receiving the charges from the provider and submitting them to the TPA based on AHO’s fee schedule) and distributing payment. The products are open access, requiring a $15 co-pay from the employee, with the employer paying the remainder, based on the fee schedule. The benefit has relatively high, separate ceilings of $2000 each for acupuncture, naturopathic doctors and chiropractic. (Despite lack of ND licensing in North Carolina, AHO has take the position that if an employer wants a benefit, AHO will offer it. Dunn states that credentialing, if anything, is more difficult for the NDs. AHO has credentialied has 5 of the 8 graduates of the three federally-recognized naturopathic educational programs who are practicing in his state.) The PEPM network access fee paid to AHO by the employers ranges from $0.50 to $1.50, according to Dunn. AHO is also offering a “natural drug formulary,” according to Dunn, through an agreement with a supplier, NATURE’S PHARMACY, which he states “formulates based on recommendations in the German Commission E.” The natural agents must be prescribed by one of the credentialied provider “or by an MD.” Employees pay a $10 co-payment for these natural agents, which, he states, usually run $20-$25. AHO sends the request to NATURE’S PHARMACY, which then fulfills the order. The pharmacy benefit and the two contracts were just introduced November 1. Dunn sees the self-insured market picking up, noting that at least one TPA has taken on AHO’s products as a distinguishing characteristic in the TPA’s marketing. He states: “One agent from a TPA was very skeptical until I took him to an enrollment meeting and when we left he said: ‘Did you see their eyes light up when you talked about acupuncture and the natural formulary?’” While AHO’s business model focuses on covered benefits, the firm lined up the first discount product in North Carolina, through the WELLPATH HMO. PHONE

B. SAVEWELL DISCOUNT CARD TARGETS UNINSURED

SAWEWELL.COM, a Cleveland-based firm has a discount-card program which advertises prescription drug (“up to 50% on most brand-name drugs”) and eyecare discounts (60% on frames and lenses, 20% on contacts) as well as offering discounts in the future on “nutritional supplements and alternative therapies, including acupuncture, chiropractic and pain-relieving magnets.” President of SaveWell.com, “an internet focused company,” is BEN ZELMAN. The firm speaks of the program as “creating large group purchasing power for the individual,” in Zelman’s words. The program is also expanding in the future to cover a wide variety of health needs such as dental care. SaveWell.com is a subsidiary of MEDICAL MUTUAL OF OHIO, which
the firm’s release calls “one of the country’s oldest and largest health insurance companies, with 1.6 million members.” Contact: Gayle Gathercole, 216p-687-7748; www.savewell.com

C. CALIFORNIA MEDICINE LOOKS AT NETWORKS

The October-November issue of CALIFORNIA MEDICINE includes a six page look at the CAM network industry in that state. Some interesting history is provided, on pioneering CAM firms ACUCARE, an acupuncture network, and ACUNET, and IPA which was later purchased by LANDMARK HEALTHCARE. Entitled “Covering the Alternatives,” the lionshare of coverage is on pioneering chiropractic management firm AMERICAN SPECIALTY HEALTH PLANS, the dominant CAM firm in the California marketplace. The firm is described as having $78-million in revenues and 13.3 million members in 43 states. ASHP president GEORGE DEVRIES is quoted as saying that he believes in 24 months a CAM network with this many lives will “be a small company.” The writer estimates that some 50 networks exist nationwide. KEVIN BURON, a VP with LANDMARK HEALTHCARE is quoted as saying his firm has added 5-million lives during the past 18 months. A distinction between covered lives and discount/affinity lives is not made. In a discussion of the increasing competition for covered, at-risk CAM business, DAVID WELLS, LAC, DC, senior director of clinical services at Landmark (and founder of ACUNET) is described as expressing his “dismay” to see that “some alternative medicine networks outside California bid rock-bottom capitation rates of less than 50 cents for chiropractic.” The writer states that Landmark’s KEVIN BURON, VP for marketing and network development, informed her that Landmark is “working with providers to develop a system that should ease concerns by rewarding high-quality, cost-effective practitioners through financial incentives and by easing their administrative burden.” Details of the plan were not shared. ACUCARE, co-founded by ILAN MIGDALI, LAC, states that the provider-oriented model of his firm and his desire to “protect the integrity of acupuncture” has led him to tend to only accept PPO contracts. Individual copies: $5 (800-782-1054).

D. A reporter from Pennsylvania called THE INTEGRATOR following news that AMERICAN SPECIALTY HEALTH NETWORKS has inked a discount-affinity contract with UNITED HEALTHCARE’s division serving that state. The report was unconfirmed at the time of this publication.

5. MISCELLANEOUS

A. CAM INVESTMENT A FOCUS OF BU ENTREPRENEURSHIP PROGRAM

The 1999 Annual report of the “Health Care Entrepreneurship Program” at BOSTON UNIVERSITY lists “Alternative Medicine Ventures” as one of the program’s core areas where “business is hot” and with which the program has been involved. The document lists five CAM ventures which the program has advised: WELLSPACE, TAPESTRY, INC., INTEGRATIVE MEDICINE COMMUNICATIONS, INTERCEUTICALS and an un-named firm looking into online sale of CAM products. The first three firms are all based in the Boston area. The program is headed by RICHARD EGDAHL, MD, PhD, former director of the BOSTON UNIVERSITY MEDICAL CENTER and academic vice president for health affairs at Boston University (1973-1996). The program anticipates continued involvement in the CAM arena in the year 2000. The program is linked with an investor group and an entrepreneur network. 617-253-4520

B. RESEARCH OPPORTUNITIES IN NUTRACEUTICALS VIEWED AS RISING

A good overview of emerging research opportunities in nutraceuticals is featured in CENTERWATCH (Vol. 6, #11, November 1999), a newsletter targeting research organizations. The writer anticipates significant new opportunities based on a number of trends: 1) pharmaceutical firms crossing over into nutraceuticals; 2) continuing growth in use; and 3) regulatory changes which may create financial incentives. The well-heeled pharmaceutical firms
are viewed as the best mark for securing research support. The market for herbal medicines, estimated at $6 billion in 1998 sales, is presented as growing at 28% per year. 617-856-5956

C. PIZZORNO TO HEAD PUBLIC HEALTH CAM INTEREST GROUP

At the recent meeting of the AMERICAN PUBLIC HEALTH ASSOCIATION, the members of the APHA special interest group on CAM elected JOSEPH PIZZORNO, ND, president of BASTYR UNIVERSITY, to head up the interest group’s activities in the coming year. Pizzorno, a member of the SEATTLE-KING COUNTY BOARD OF PUBLIC HEALTH, was a presenter at the association’s recent national meeting.

D. CAM MENTION IN FACCT BULLETIN

The Portland, Oregon-based FOUNDATION FOR ACCOUNTABILITY (FAACT), the national consortium of employers, grassroots organizations and government purchasers gave CAM a note in the organization’s Spring 1999 newsletter (Vol. 3, Issue 3, page 11). In notes from a lecture on the “power of consumers”, FACCT founder and president DAVID LANSKY, PhD, referenced the Eisenberg data showing that visits to CAM providers exceeded those to primary care physicians. This is the first mention of CAM in the organization’s regular publication, which, despite it’s nominal consumer-employer focus, had not directly acknowledged the CAM movement. FACCT is known for its promotion of measured, evidence-based care as a basis for purchasing decisions. 503-223-2228.

End
INDUSTRY/HEALTH News File #38, November 16, 1999

INDUSTRY/HEALTH SUBSCRIBER

News File #39, November 23, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. TWO EMPLOYER PERSPECTIVES
   WASHINGTON BUSINESS GROUP ON HEALTH CAM PERSPECTIVE
   INSTITUTE FOR HEALTH AND PRODUCTIVITY MANAGEMENT: SYMPOSIUM

2. INTEGRATIVE CLINICS
   INCOME/SATISFACTION TRADE-OFFS FOR EAST COAST INTEGRATIVE MD
   INNER HARMONY RESTRUCTURED WITH NEW INTEGRATIVE CENTERS

3. MEDIA WATCH
   ACADEMIC MEDICINE
   HARVARD MEDICAL SCHOOL: INTERNATIONAL CAM MEETING
   ACUPUNCTURE ALLIANCE "FORUM": INTERACTIONS WITH TCM

4. NETWORKS NEWS
   CONSENSUS SECURES $10-MILLION PLUS IN NEW FUNDING
   KAISER OHIO AND ASHN IN DISCOUNT PRODUCT
   PHYSICIANS HEALTHCARE PLANS (FL) IN DISCOUNT
   HEALTH AMERICA PENNSYLVANIA TO OFFER DISCOUNT VIA ASHN

5. MISCELLANEOUS
   QUINN TO LEAVE AANP EXECUTIVE SLOT: 22 YEARS WITH NDs
   UNLICENSED CAM PRACTITIONER CHARGED IN DEATH OF 8-YEAR-OLD DIABETIC

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).
1. TWO EMPLOYER PERSPECTIVES

A. WASHINGTON BUSINESS GROUP ON HEALTH CAM PERSPECTIVE

“Those outside the mainstream are held to higher standards,” notes MARY JANE ENGLAND, MD, president, of the influential employer group, WASHINGTON BUSINESS GROUP ON HEALTH. England, a psychiatrist by training, knows of what she speaks. Many psychological and mind-body interventions have -- like CAM -- have difficulty in gaining appropriate recognition in mainstream payment and delivery. Speaking at the October STANFORD-HARVARD conference on “Practical Applications” of CAM integration, England’s placed CAM coverage as a “reflection of the evolution of benefits” toward encouraging health promotion and optimal functioning. Employers, she notes, are “moving toward recognizing and enabling performance now.” England also notes the value in “attracting and retaining the best workers.” She offers additional “employer principles for health care” which she views as creating potential opportunities for CAM. The most agreeable to CAM practitioners are “patient centered,” “patients actively involved,” “educated consumers,” and “fostering flow of information.” Other principals reflect postulations of CAM advocates, including: “effective,” and “cost-efficient.” England lists “accountability” and “outcomes based” as additional principles, which, again asks most CAM providers to develop additional skill sets. England singled out representative CAM activity of some employers: 1) GTE SERVICE CORPORATION in Atlanta has created a “weekly massage day” at work, when employees, for $8 payments receive a 10 minute massage, which is delivered in a room set aside for two visiting massage therapists. Aerobics, yoga and tai chi are offered in lunch time classes; 2) RESEARCH AND DATA SYSTEMS offers 50% discounts on yoga, acupuncture, nutritional counseling and holistic care for pets through “certified providers.” Decreased absenteeism and lower health care costs are the goals; England noted that some employers, appreciating the role pets can play in individuals maintaining positive attitudes, are covering veterinary services; 3) STARKEY LABORATORIES in Eden, Minnesota, covers chiropractic, Rolfing and acupuncture, which have been found to reduce worker’s compensation costs and boosted productivity; and 4) VIEWSONIC CORPORATION in Walnut Creek, California, offers chiropractic and acupuncture ($10 co-pay up to 40 visits) and some herbal supplements with a $5 co-pay. England notes that some core areas of research interest to employers are whether the CAM services improve recruitment and retention, enhance the corporate image, decrease absenteeism, better morale, lower health care costs, decrease disability costs, reduce turnover and improve productivity. WBGH is “working on a metric” to allow researchers to better assess functionality and is in conversation with NATIONAL INSTITUTES OF MENTAL HEALTH researchers on a potential project which, while it may not have the “rigors” of more reductive research favored by the NIH, can be extremely robust in numbers by giving researchers access to WBGH employee base. Employees, England believes, must increasingly be viewed not as a “cost center” but rather as “a human capital investment.”

B. INSTITUTE FOR HEALTH AND PRODUCTIVITY MANAGEMENT: SYMPOSIUM

THE INTEGRATOR was contacted in August by RAVEN RUFFNER, who was beginning early reconnaissance on the CAM-employee wellness connection for the INSTITUTE FOR HEALTH AND PRODUCTIVITY MANAGEMENT. The organization is sponsored by Fortune 500
employers, health systems and pharmaceutical firms. The organization was beginning to look into a symposium on the workplace implications of the CAM movement. SEAN SULLIVAN, president and CEO, explains that the Institute is interested in “anything that has a functional impact on employee health.” The organization’s efforts are typically outcomes oriented, and is comfortable creating well-reasoned pilot projects. According to Sullivan, a mid-November meeting with over 50 IHPM funders produced interest in CAM “from all stakeholders, particularly employers and some (health system) providers.” Sullivan laughs, recalling a comment of a representative of a large employer which is considering co-sponsoring the symposium: “We’re interested in cutting costs and if that happens to be through alternative medicine, that’s fine!” IHPM is presently exploring potential relationships with sponsors and beginning to define the size and focus of the symposium, planned for the spring. One potential direction: strategies to link CAM into a major, well-funded IHPM project on disease management. Organizations interested in potential co-sponsorship may contact Rufner (540-456-4747) or Email at ihpm1@aol.com. www.ihpm.org

2. INTEGRATIVE CLINICS

A. INCOME AND SATISFACTION TRADE-OFFS FOR AN EAST COAST INTEGRATIVE MD

A not-for-attribution interview with an East Coast integrative physician (MD) yielded the following information and perspective on the business side of the physician’s practice: Income in conventional practice prior to moving into integrative care $110,000 plus; salary offer from an integrative clinic, at roughly 4 clinical days per week: $70,000; and current integrative practice, at 3.5 days of practice, 1.5 days “cleaning up the mess”: $65,000. Physician’s comment: “In my conventional practice, I don’t think I ever greeted my spouse with what a great day it was. I don’t think my patients liked me or I much liked them. Now I do my own billing and scheduling, so can take as long as I want with patients. My first visit is a full hour and my follow-up visits are usually 30 minutes. I use a sliding scale for my patients. I think the relationship I have with them is helping them to get better.”

B. INNER HARMONY RESTRUCTURED WITH NEW INTEGRATIVE CENTERS

Clarks Summit, Pennsylvania-based INNER HARMONY (see “Benchmarking Clinic Development,” February-March 1999) has undergone a significant shift in provider mix, as well as a name change, to re-position itself for partnership with the region’s mainstream providers. What was the INNER HARMONY WELLNESS CENTER has re-emerged in a recent advertising campaign as a series of affiliated centers: CENTER FOR INTEGRATIVE MEDICINE, STRESS REDUCTION CENTER, CENTER FOR WOMEN’S HEALTH and PAIN MANAGEMENT CENTER. The name change coincides with bringing in a medical doctor and an osteopathic physician to add to their complement of CAM professionals on the nine person clinical team. As part of a renewed effort to deepen its integration into mainstream payment and delivery, Inner Harmony, led by founder PETER AMATO, is actively engaged in negotiations with major insurers and employers in the rural Pennsylvania area. LINDA BEDELL-LOGAN, with SOLUTIONS IN INTEGRATIVE MEDICINE, is consulting with the clinic in the transition and re-positioning.

3. MEDIA WATCH

A. ACADEMIC MEDICINE: CAM IN MED SCHOOL CLINICS

The Summer 1999 issue (Vol. 12, # 2) of “Academic Clinical Practice,” a publication of the Group on Family Practice of the AMERICAN ASSOCIATION OF MEDICAL COLLEGES includes a feature entitled “Alternative Medicine on Mainstream Track.” Among those interviewed is PAUL SZILAGYI, MD, chief administrative officer of HENRY FORD WYANDOTTE HOSPITAL, interviewed on whether CAM will be a significant revenue stream, suggests that “we are still in the infancy stage of offering these kinds of services” and cannot know. Szilagyi underscore on
problem Henry Ford faces with CAM: “All of our energy right now is devoted to responding to the challenges of financing health care.” LARRY BURK, MD, clinical associate professor of radiology and director of integrative medicine at DUKE UNIVERSITY describes his institution's cautious approach to CAM: All acupuncture is delivered by medical doctors and “we haven’t even scratched the surface as far as hiring a non-MD practitioner here.” Burk relates that an attempt to offer a series of CAM lectures to medical students was originally shot down. Once approved, “the curriculum committee drew the line at homeopathy and aromatherapy -- the sense is that we aren’t even supposed to talk about those disciplines around here.” The Henry Ford system is focusing its CAM on chiropractic, herbal therapy, massage therapy and acupuncture, which Szilagyi called “the safest.” States Szilagyi: “A reputation for treating the patient right and providing the most complete service is the key to attracting and keeping patients … So on an individual and institutional level, providing CAM services to those who want them is rewarding.” In related news, the meeting of the special interest group on CAM of the AMERICAN ASSOCIATION OF MEDICAL COLLEGES drew representatives of 50-60 institutions to their annual meeting in early November.

B. HARVARD MEDICAL SCHOOL: INTERNATIONAL CAM MEETING

A Fall 1999 issue of ‘Focus”, the newsletter for the alumni of HARVARD MEDICAL SCHOOL features a report on a July 1999 conference in Seoul, Korea, co-sponsored by HARVARD MEDICAL INTERNATIONAL and Korean’s ASAN MEDICAL CENTER on integration. JOSEPH B. MARTIN, dean of the Faculty of Medicine at Harvard is quoted at stating: “We have good reason to believe that some of the therapies that are now considered ‘alternative’ will eventually prove heir worth and become standard practice in both East and West.” Interestingly, Korea has 41 college teaching 3,000 students in Western medicine, and only 11 (800 students) for Oriental medicine.

C. ACUPUNCTURE ALLIANCE “FORUM”: INTERACTIONS WITH TCM

The Fall 1999 issue of “The Forum” includes a brief look at some potential herb-drug interactions. The article is written by JOHN K. CHEN, PhD, LAc, an assistant professor at the UNIVERSITY OF SOUTHERN CALIFORNIA SCHOOL OF PHARMACY as well as professor of pharmacology at two schools of Chinese/Oriental medicine. For the Alliance: 253-851-6896.

4. NETWORKS NEWS: CONSENSUS FUNDING PLUS DISCOUNTS, DISCOUNTS

A. CONSENSUS SECURES $10-MILLION PLUS IN NEW FUNDING

An early report with as yet little detail is that CONSENSUS HEALTH, the San Francisco Bay area CAM network firm has secured over $10-million in venture capital to support a major move into the dot-com arena with perhaps twice as much more available. Consensus founder ALAN KITNER confirmed for THE INTEGRATOR that the funding had come in “from current investors, including ST. PAUL VENTURE CAPITAL and WESTON PRESIDIO. More on this story as it develops.

B. KAISER OHIO AND ASHN IN DISCOUNT PRODUCT

With director of sales DAVID CROSBY noting that “about twenty percent of our members have expressed interest in these types of services,” KAISER PERMANENTE OF OHIO announced on November 22 that it’s members would have access to a discount CAM product starting early in the year 2000. The discount will be offered through a standard relationship with AMERICAN SPECIALTY HEALTH NETWORKS. The release noted an addition to ASHN’s services through which members can “ask the expert” for personalized answers to their health questions. The Ohio branch of Kaiser serves 200,000 members. For Kaiser, Eileen Sheil: 216-479-5576; eileen.sheil@kp.org.
B. PHYSICIANS HEALTHCARE PLANS (FL) IN DISCOUNT

Advertising that it is “adding benefits while other Florida plans cut back,” PHYSICIANS HEALTHCARE PLANS, an HMO with 100,000 lives in South Florida announced a health benefits discount card in early November which includes some CAM care. All members will be given membership in HEALTHSAVER CLUB. President and CEO is MICHAEL FERNANDEZ. For PHP: 813-273-7474.

C. HEALTH AMERICA PENNSYLVANIA TO OFFER DISCOUNT VIA ASHN

HEALTH AMERICA OF PA announced a discount product which will be offered to its 500,000 members starting January 1, 2000, through a partnership with AMERICAN SPECIALTY HEALTH NETWORKS, a division of ASHP. HealthAmerica is a division of COVENTRY HEALTH CARE which provides managed care products and services to over 500,000 individuals in the Pennsylvania and Ohio areas. The release notes that the BUYHEALTHY.COM division of ASHP presently offers 1,200 distinct products. ASHP positions its HEALTHYROADS.COM

5. MISCELLANEOUS

A. QUINN TO LEAVE AANP EXECUTIVE SLOT: 22 YEARS WITH NDs

On February 28, SHEILA QUINN, executive director of the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS, will be stepping down from the position she has held for the last six years. Quinn, a former vice president at BASTYR UNIVERSITY and its first paid staff member when it was founded in 1978, is considered a co-founder of that institution, which has honored her with an honorary doctor of naturopathic medicine degree. During Quinn’s tenure, the AANP budget and membership each grew substantially, licensing for naturopathic physicians expanded to four new states and members of the profession quietly impacted a number of key policy and regulatory actions of the US Congress. Quinn is actively exploring her options. 206-298-0126

B. UNLICENSED CAM PRACTITIONER CHARGED IN DEATH OF 8 YEAR OLD DIABETIC

An unlicensed CAM practitioner, LAWRENCE PERRY, has been charged with manslaughter in the death of an 8-year-old diabetic after allegedly urging the mother to use herbs for treatment. Said to have operated the GENERAL HEALTH CARE FACILITY FOR PREVENTIVE AND ALTERNATIVE MEDICINE, Perry is being charged with practicing medicine without a license. No reports of the case reviewed by THE INTEGRATOR have included evidence that the practitioner had any formal CAM education.
1. HIGHMARK BLUES PLANS HIGH ON ORNISH PROGRAM OUTCOMES

In a November 25 INTEGRATOR interview, ANNA SILBERMAN, a vice president with Pittsburgh, Pennsylvania-based HIGHMARK BLUE CROSS, revealed that the insurer’s unusually proactive promotion of a DEAN ORNISH program for patients with cardiac risk is saving an estimated $16,000 per user. Highmark is the only insurer in the nation which not only covers but delivers the program. (See related item below.) Over 265 patients have been enrolled in the program since November of 1997. Program cost is $2,000-$3,000 per enrollee. Highmark offers two options: 1) a 12 week intensive following by a year of follow up services; and 2) the retreat model Ornish used in his original study. “The real story,” states Silberman, “is that the insurance company is not only paying for it, but is providing it.” The firm delivers the programs through three community based centers. Recalling the decision to start the program Silberman states: “I looked at Pittsburgh and wondered if I’d fall flat on my face and lose my job. Would it alienate us from the medical community?” She is firm now that she believes that while “this isn’t for everyone, there are those who will take it on and they are entitled to this program -- they have a right to know their options.” This is one among a handful of progressive CAM-oriented programs developed at Highmark under Silberman’s leadership. Others include a new Ornish-like program targeting high risk osteoporosis patients which is now seeing its third cohort. Silberman says that the firm has had a discount program for most of the 10 years since she has been with the firm, through an internal network, and that “chiropractic is covered in all our products.” Contact Bob Crytzer 412-544-5221, www.highmark.com

2. UPDATE ON ORNISH PROGRAM: MEDICARE AND DoD PILOTS, NEW CENTERS

The non-profit, Sausalito, California-based PREVENTIVE MEDICINE RESEARCH INSTITUTE (PMRI), the organization which promotes development of mind-body coronary artery disease reversal programs developed by DEAN ORNISH, MD, has recently announced two new pilots. One, developed with the HEALTH CARE FINANCING ADMINISTRATION, will be a demonstration project to study the value of the Ornish program on up to 1,800 selected MEDICARE patients as an alternative to angioplasty and bypass surgery. An earlier study, published in JAMA last year, showed the program successful in 77% of high risk patients who underwent the program. (See March 1998 INTEGRATOR for a previous look at the program.) Notably, the JAMA study found even more reversal after five years than after one year. In addition, Congress has appropriated $2.5 million through the DEPARTMENT OF DEFENSE through which PMRI will train professionals at the WALTER REED ARMY MEDICAL CENTER and the BETHESDA NATIONAL NAVAL MEDICAL CENTER to offer the program to retired military and their families. The information below is abstracted from information provided to THE INTEGRATOR by PMRI.
A. ORIGINAL PROGRAM SITES (those still in demonstration project network [*]): Alegent Immanuel Medical Center/Alegent Heart Institute*, Omaha, NE; Alegent Bergen Mercy Medical Center*, Omaha, NB; Beth Israel Medical Center, NY, NY; Mercy Hospital Medical Center/Iowa Heart Center*, Des Moines, IA; Broward General Medical Center*, Fort Lauderdale, FL; Palmetto Richland Memorial Hospital*, Columbia, SC; Mt. Diablo Medical Center, Concord, CA; Beth Israel Deaconess/Harvard Medical School, Boston, MA; Scripps Hospitals and Clinics*, La Jolla, CA.

B. NEW PROGRAM SITES (all in the demonstration project network): School of Medicine, UCSF; California Pacific Medical Center, SF, CA; Franciscan Health System of the Ohio Valley; Cincinnati, OH; Swedish American Health System, Rockford, IL; Swedish Medical Center/First Hill, Seattle, WA; St. Francis Hospital and Health Center, Blue Island, IL; and Windber Medical Center, Johnstown, PA. In addition, as noted above, HIGHMARK BLUE CROSS BLUE SHIELD OF WESTERN PENNSYLVANIA has become the first insurer of offer the program directly to subscribers, at three Pittsburgh sites.

C. INSURERS WITH CONTRACTED COVERAGE OF THE PROGRAM: Anthem BCBS; Benchmark, Best Choice, BCBS Nebraska, BC California, BS California, BCBS South Carolina, Exclusicare/Mutual, Franciscan Health System, Highmark Inc., Humana Health Plans of South Florida, Mutual of Omaha, and Secure Care.

D. INSURERS WHICH HAVE COVERED ON A CASE BY CASE BASIS: Alternative Benefits Plan, Arps Redi Mix Benefits Group, BAAI, BCBS Alabama, BCBS Tennessee, Central States Health & Life of Omaha, Board of Pensions Presbyterian Church, City of Omaha, Companion HealthCare, Federal BCBS, Health Care Preferred – Payless Cashways, Medical Mutual of Omaha, Physicians Health Plan of SC, Plumbers & Steamfitters – Local Union 33, ProAmerica Managed Care, Provident Health Care, Provident Life, Prudential L.D., Secure Care, Select Benefit Administrator, Travelers, United HealthCare EPO, United Healthcare of the Midlands (SHARE), and Woodward Govenor.

PMRI materials state that over 40 insurers cover all or part of the program. This figure shows little change from that provided to THE INTEGRATOR by PMRI in the 1998 report. The HCFA project is viewed internally as the vehicle through which the programs will eventually become a standard part of benefit design. The Medicare demonstration project has been under discussion at HCFA since late 1997. For PMRI, call (415)332-2525. WEBSITE??? CHAS, CAN YOU GET THIS?

3. REHAB DOCS: MEDICAL ACUPUNCTURE SPECIALTY

The AMERICAN ACADEMY OF PHYSICAL MEDICINE REHABILITATION (AAPMR) has a three-year-old interest group on medical acupuncture headed by MITCHELL PRYWES, MD. Prywes, whose private practice is based in Danbury, Connecticut, states that roughly 120 AAPMR physicians are presently members of the interest group, up from 30 at the founding. A presentation on medical acupuncture by SPAULDING REHABILITATION HOSPITAL physician JOSEPH AUDETTE, MD, at an AAPMR meeting last month drew 400 attendees, according to Audette. The AAPMR subspecialty represents roughly 6,000 medical doctors and osteopaths, with the latter representing about one-in-ten of the physician members. Prywes told the INTEGRATOR that his specialty is among the top three specialties (with family medicine and neurology) in the AMERICAN ACADEMY OF MEDICAL ACUPUNCTURE, which Prywes serves as a board member. Prywes describes the affinity between acupuncture and rehab in terms of their “focus on restoration of function” in patients. Acupuncture, he adds, “fits into the way we deal with people.” A near term goal of the interest group is to create a list-serve for member physicians. In the long term, Prywes anticipates that the group will take on development of clinical protocols. (203)744-4343
4. NATIONAL COLLEGE OF CHIRO TO BECOME MULTIDISCIPLINARY UNIVERSITY

With a mission of chiropractic “bringing together the various players within the complementary and alternative professions for the common good of the professions and their shared patients,” JAMES WINTERSTEIN, DC, president of Chicago-based NATIONAL COLLEGE OF CHIROPRACTIC announced earlier this month his school’s intention in September of 2000 to change its name to NATIONAL UNIVERSITY OF HEALTH SCIENCES. Winterstein told THE INTEGRATOR that he believes that if CAM providers are not integrated at the educational level then “turf battles worse than with the allopaths” will ensue. A “College of Professional Studies” will offer the chiropractic degree together with a Master’s in acupuncture/meridian therapy, and then, in 2002, a naturopathic medical degree. (National College formerly offered a naturopathic degree under a “Drugless Physician” program which was discontinued in the 1950s under pressure from accreditors and federal regulators.) “Lincoln College of Postprofessional, Graduate and Continuing Education” will offer diplomate programs in specialty areas, as well as residencies and graduate education programs. A “College of Allied Health Sciences” will offer some programs already in place: massage certification, chiropractic assistant and baccalaureate in human biology. Others may be added. National, founded in 1906, is one of the nation’s leaders in promoting a general practice role for chiropractors. Winterstein is on the board of ALTERNATIVE MEDICINE INC., the Chicago-based network which is piloting a Primary Care Chiropractic Physician program with HMO ILLINOIS. The move to university status is believed to be the first for any chiropractic school. PHONE

5. AMERICAN MEDICAL WOMEN’S ASSOCIATION DOWN ON NON-NURSE MIDWIVES

Among actions at the 84th annual meeting of the AMERICAN MEDICAL WOMEN’S ASSOCIATION held earlier this month was a position paper opposing legislation or insurance coverage for what the statement terms “lay midwifery.” A spokesperson for AMWA, Beth Feldpush, who directs the organization’s governmental relations, provided no background on the decision other than that the request was brought by an unnamed member as an effort to combat “recent legislation dealing with midwifery.” The “lay midwife” category, as used, appears to include all midwives except nurse-midwives. AMWA supports expanded regulation of and coverage for nurse-midwives as long as they are “appropriately supervised.” No distinction is made by the AMWA between those non-nurses who attend regulated educational programs which train individuals to provide independent midwifery services for homebirth and birth center births. In some jurisdictions where educational programs are available, notably Washington State, these “European model midwives” have gained significant status with policy makers and with health plans. (The European model adds certain nursing skills to midwifery training, rather than adding midwifery training to nurses.) Analysis of experience data in Washington homebirths led a 1994-1995 multi-disciplinary advisory team convened by GROUP HEALTH COOPERATIVE OF PUGET SOUND to recommend credentialing of a panel of homebirth midwives and coverage for the services. The staff model HMO has since done so, and in a flier has promoted these services to their members. For AAWA, call (703)838-0500; for a perspective on regulated “lay midwifery,” contact VICTORIA TAYLOR, LM, of QUALITY MIDWIFERY SERVICES, and manager of a credentialing program developed in response to state legislation in Washington, 206-923-0565.

6. HMOS AND NETWORK ACTION

A. HIP HEALTH PLANS (NY) JOINS DISCOUNT “REVOLUTION:” PARTNERSHIP WITH CONSENSUS

A late November release (11/23/99) on its efforts to “keep pace with the continuing health care revolution,” HIP HEALTH PLANS OF NEW YORK announced it will be offering members a CAM
discount product. The statement positioned the CAM program as follows: “The value-added program is not intended in any way to replace HIP’s traditional medical care.” The health care revolution apparently is not going so far as to allow HIP New York to consider whether or not a CAM approach or therapy may be more clinically appropriate than anything in conventional medicine. The CAM program is one of a handful which will show how the plan offers members “wider choices and opportunities.” PHONE

B. NORTH CAROLINA BLUES TRUMPETS CAM DISCOUNT AS SAVINGS FOR SENIORS

A November 23 PR NEWSWIRE release from BLUE CROSS BLUE SHIELD OF NORTH CAROLINA trumpets their new ALT MED BLUE program, a discount project engaged through partnership with CONSENSUS HEALTH, in the words of BOB GRECZYN, president and CEO of BCBSNC, as follows: “With the addition of Alt Med Blue to the Blues Value program [a broader discount product included eyecare, hearing aids, etc.] North Carolina seniors can save more than ever on services to help keep them healthy.”

C. ACCESS MANAGED HEALTH CARE LOOKING INTO ADDITIONAL CAM

ACCESS MANAGED HEALTHCARE, based in Floral Park, New York, and operating in 13 states, has recently begun to explore offering additional CAM benefits in addition to their historic chiropractic business, according to JOHN ROPOLLO, president. (800)789-2642

7. MISCELLANEOUS

A. SONTECH ACQUIRES WELLNESSAMERICA.COM

A small, non-reporting, publicly traded firm, Fresno, California-based SONTECH, has purchased WELLNESSAMERICA.COM, a CAM database. According to company materials, Sontech targets a “Bible and health consumer” base. Contact Magrit Schulz (559)449-2626.

www.wellnessamerica.com

B. HEAVY CHIRO LOBBYING KEEPS PROVISION IN VETERAN’S ACT

A provision in the VETERAN’S MILLENIUM HEALTH CARE ACT which would require the Veteran’s Administration to explore the role for chiropractic in veteran’s services was included in the final version which was sent to the president. House leaders had included the language (HR 2116), but the Senate version (S. 1076) did not.

C. NEW YORK TIMES ELEVATES CHIROS: WHO IS A “DOCTOR,” EDITOR?

In a small but significant step, the NEW YORK TIMES will now begin formally referring to doctors of chiropractic as “doctor.” Media treatment of CAM providers has frequently been, literally, above the law -- choosing to deny the “doctor” title to CAM providers even when state law formally recognizes the right of the provider to use the title or be considered a “physician.” Depending on the state, chiropractors, naturopaths, and, in some jurisdictions, practitioners of traditional Chinese medicine, have been formally granted the right to use the title. In a November 3 letter to the AMERICAN CHIROPRACTIC ASSOCIATION, New York Times editor WILLIAM BORDERS stated that he has “alerted staff to this lapse” in failing to use the title in the past. The move followed protest and action by the ACA’s Communications Department. (800)986-4636

End

INDUSTRY/HEALTH News File #40, November 30, 1999
INDUSTRY/HEALTH SUBSCRIBER

News File #41, December 7, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. CLINICS: TAPESTRY, MEDICAL UNIVERSITY OF SOUTH CAROLINA, EXEMPLA
2. CANCER SOCIETY OFFERS OPERATIONAL STATEMENT ON CAM
3. CHIROS MEETING WITH CLAIMS EXECUTIVES
4. NEW CAM BENEFITS: CA HITS DISCOUNTS, BCBSSC/ASHN, VITALITY ACCESS
5. MEDIA WATCH: SMART MONEY, HEALTHCARE BUSINESS, MEDICAL TRIBUNE

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (www.onemedicine.com).

(c) Integrative Medicine Communications 1999

________________________________________________________________________

AN I/H INTERACTIVE RULE: If you have any response or feedback, we will assume that your name as the source is not attached to it UNLESS you specifically say that you would like to be identified as the source.

As always, your feedback is welcome.  -- John Weeks, Publisher-Editor

________________________________________________________________________

1. CLINICS: TAPESTRY, MEDICAL UNIVERSITY OF SOUTH CAROLINA, EXEMPLA

A. TAPESTRY GROUP OPENS SECOND BOSTON AREA FACILITY

The TAPESTRY GROUP has opened its second clinic in the Boston area on schedule. The facility, in Hanover, focuses on acupuncture and acupuncture related services, according to MICHAEL J. SHOR, MPH, co-founder. The facility has two clinicians and, after its fifth week is running at 60% of capacity. Early analysis of overall Tapestry visits, reported to THE INTEGRATOR, shows that 90% of the business is for medical necessity related "clinical conditions." States Shor: "We opened our first center less than three months ago so we need to be very careful not to over interpret anything, but to date, people are seeking us out for real problems and that is very gratifying." The revenue splits about 40% for acupuncture and herbs, 40% for therapeutic massage, about 10% relaxation massage and another 10% for shiatsu therapy. Under the Tapestry business model, this Hanover facility is a "satellite clinic," which is necessary to extend the firm's geographic reach in serving its workers compensation clients. Tapestry's first facility, at 3300 square feet and with an even broader provider mix, opened September 7 of this year. 617-969-6300

B. MEDICAL UNIVERSITY OF SOUTH CAROLINA EXPLORING A SECOND FACILITY

The CAM venture operated by the MEDICAL UNIVERSITY OF SOUTH CAROLINA has begun exploration of a second CAM clinic. The first offers acupuncture, massage and herbal medicine in four treatment offices. Clinic leader is GARY NESTLER, LAc. The relatively unambitious setting -- no medical doctors are on-site -- appears to be working well financially, according to a clinic acupuncturist TRUDY MOORE, LAc. 843-792-1270

C. EXEMPLA’S CAM VENTURE IN COLORADO EXPLORING EXPANSION

BRIDGES INTEGRATIVE HEALTH SERVICES, the CAM department of EXEMPLA, a Wheatridge, Colorado-based health system which includes two hospitals and a large primary care
A group practice, looking to expand its operations. Opened six months ago with presently 10 part-time CAM practitioners, the clinic is “doing okay and meeting our projections,” according to COLLEEN HATTON, PT, who is Exempla’s director of health management services. The operation is “at a plateau and is now looking at a more aggressive marketing strategy.” The clinic is in a medical office building owned by a group of physicians, some of whom are Exempla physicians. Present offerings are acupuncture, massage, counseling, herbs and classes. Hatton notes that the herb services are through a doctor of pharmacy. All present services are self-pay. 303-425-8266

2. CANCER SOCIETY OFFERS OPERATIONAL STATEMENT ON CAM

The AMERICAN CANCER SOCIETY has developed an “operational statement for activities related to complementary and alternative methods of cancer management.” The Society defines core terms, then offers the following directives that the Society: 1) supports the use of complementary methods (“supportive methods that are used to complement or add to mainstream treatments as consistent with Society goals addressing quality of life”); 2) supports use of scientifically proven treatments as consistent with the Society’s goal of reducing mortality and cancer; and 3) does not support the use of unproven alternative treatments (“unproven treatments that are promoted as cancer cures”) as inconsistent with the Society’s “mission 2015 goals.” However, in an endorsement of the consumer-patient, the Society also “supports the right of individuals with cancer to decide what treatment is best for them.” A “partial list” of complementary approaches in the Society document includes: aromatherapy, art therapy, biofeedback, massage, meditation, music therapy, prayer/spiritual practices, t’ai chi, and yoga. The document also includes information for the consumer on questions to ask in evaluating a specific therapy.

3. CHIROS MEET WITH CLAIMS EXECUTIVES

A December 1 release from the AMERICAN CHIROPRACTIC ASSOCIATION (ACA) reported that the association is promoting better relationships with independent insurers through convening a recent meeting with representatives from both groups to tackle persistent problems in claims processing. The “Claims Solution Work Group” was “a forum for insurers to discuss their concerns regarding chiropractic claims in areas such as health, workers’ comp and auto insurance.” Issues ranged from fraud and abuse and new technology to treatment guidelines, coding, documentation and scope of practice. Twenty individuals participated. The meeting was chaired by PATRICIA JACKSON, the ACA’s vice president for the Office of Professional Development and Research. A core interest of insurance representatives was reportedly “the perceived lack of treatment guidelines in chiropractic.” The lack of such guidelines was viewed as making it difficult for insurers to separate good chiropractic from bad. The ACA representatives agreed to formally recommend to the ACA’s leadership that guideline development become a priority. The ACA plans to convene more of these work groups in the future to continue the dialogue and cooperation. Additionally, an email list will be set up to continue ongoing communication and problem-solving among the participants from the two-day gathering. 703-276-8800

4. NEW CAM BENEFITS: CA HITS DISCOUNTS, BCBSSC/ASHN, VITALITY ACCESS

A. CALIFORNIA CRACKS DOWN ON INTERNET DISCOUNT PLANS

In late November the CALIFORNIA DEPARTMENT OF CORPORATIONS (DOC), which regulates managed care plans, sent out notices to 46 internet discount providers that their operations would no longer be legal in the state. A report in the LOS ANGELES TIMES (www.latimes.com/class/employ/healthcare/19991126/t000107844) notes that 15 of the firms, many of
which have recently added CAM services to their core offerings, have voluntarily suspended operations. Arlington, Texas-based CARE ENTRÉE (www.careentrec.com) whose CAM product has been reported in THE INTEGRATOR, is noted as one firm which notified DOC that it plans to contest the move, although it is also among those which have suspended its program in California. Care Entree operates as a multi-level firm, charging a $59.95 initial fee for its independent sales team, and also requiring that each sales person participate in the full Care Entrée program, at an additional $20/month. (The CAM program alone is $15/month, or $10 in addition to the basic $20/month program.) The discounted programs generally target the uninsured. DOC views such programs as unlicensed sale of insurance products. Mainstream healthcare organizations in California herald the move. DOC has had an equivocal view on discount CAM products. The regulatory agency has taken the position that offering such products requires formal approval, yet no policy on the subject had been released by the regulators as of a query from THE INTEGRATOR in mid-September. Calls to DOC late last week were not yet able to reach the appropriate spokespeople.

B. BCBS SOUTH CAROLINA LINKS WITH ASHN ON DISCOUNT

On November 30, BLUE CROSS BLUE SHIELD OF SOUTH CAROLINA became the latest of over a dozen Blues plans to offer a discount product. The firm is linking with San Diego-based AMERICAN SPECIALTY HEALTH NETWORKS to offer the product. The program is called “Natural Blue – Holistic Health Choices,” RICK GALLION is the director for complementary and alternative medicine for the Columbia-based Blues plan.

C. AMI/HMO ILLINOIS CHIRO GATEKEEPER PLAN IN USATODAY

The PCCP (Primary Care Chiropractic Physician) program developed for HMO ILLINOIS by ALTERNATIVE MEDICINE INC. appears to be capturing the eye of the media. The November 26, 1999, issue of USA TODAY on trends in health plan offerings under the present open enrollment period, included a mention of the pioneering AMI effort, which gives the HMO’s members a chance to select a chiropractor as their PCP. AMI has been involved in a significant media push to up enrollment in the pilot.

5. MEDIA WATCH: SMART MONEY, HEALTHCAREBUSINESS, MEDICAL TRIBUNE

A. INTEGRATION IS ABOUT MONEY SAYS SMART MONEY

Recent interest in CAM by medical doctors and osteopaths is presented as cynical “opportunism,” the work of “scoundrels,” and largely about the bottom-line in a long introductory section, and in the closing, of a six-page CAM feature in December’s SMART MONEY (“The Doctor Will See Your Soul Now”). “You must move with the wind, and the wind is blowing toward alternative medicine,” one MD exploring acupuncture is quoted as saying. Later the same physician is quoted as saying that, “ultimately it all comes down to money,” and that he’ll drop his present interest in CAM if the money is not there. A somewhat more upbeat view begins well into the third page with a look at the KAPLAN CLINIC, a multidisciplinary, conventional plus alternative practice of GARY KAPLAN, MD, in Arlington, Virginia. KEN STAHL, MD, of the Hartford, Connecticut-based HARTFORD MEDICAL GROUP is also treated more gently, but the reporter still focuses on Stahl’s view that “integrative medicine is a wide-open market niche.” ROBBE FIAN, LAc, and president of the AMERICAN ASSOCIATION OF ORIENTAL MEDICINE, is used by the reporter, MICHELLE ANDREWS, to underline the theme of opportunism in MD/DO behavior. Fian reportedly found MD/DOs to whom she recently taught acupuncture to be caught in a “cookbook approach” to their patients, which didn’t respect the individualized nature of Oriental medicine treatment. JAMES DILLARD, MD, medical director for alternative medicine at OXFORD HEALTH PLANS is used to support Fian’s remark. Dillard, an INTEGRATOR advisor who is also an acupuncturist and chiropractor, lambastes the “overnight gurus.” All totaled, the
report is a nasty account of the shadow side of the integration movement’s hopeful face. This may have been the only way that SMART MONEY could treat the subject.

B. HEALTHCAREBUSINESS COVER FEATURE ON CLINICS/AMERICAN WHOLE HEALTH

An 11-page feature on private sector integrative clinics is the cover story (“When East Meets West: Can Integrative Medicine Advocates Successfully Blend the Best of Traditional and Alternative Care?” 66-76) of the November-December issue of HEALTHCAREBUSINESS. A significant portion of the article, written by ELAINE ZABLOCKI, formerly editor of ALTERNATIVE MEDICINE BUSINESS NEWS, focuses on the AMERICAN WHOLEHEALTH venture, providing an accounting of its development since the firm’s founding by INTEGRATOR advisor DAVID EDELBERG, MD, in 1992. Zablocki reports what AWH, which now includes a CAM network arm, has received roughly $40 million from venture backers, prior to the recent $20-million in additional funds which will kick off the WHOLEHEALTHMD.COM internet division. Other data reported in the article on AWH portrays it as a “$27 million company” with 320 employees, including over 100 clinicians in the firm’s 11 integrative clinics serving “about 20,000 patients.” A data base of experience data is accumulating, since each patient reportedly fills out a form at the end of each visit. MARK SANDEROFF, managing partner for ESSEX WOODLANDS HEALTH VENTURES, the earliest institutional investor in AWH, is quoted as stating that “the company is self-sustaining and continues to grow quite nicely.” Zablocki also looks at the recent reshaping of COMPLETE WELLNESS CENTERS, a public company, WELLSPACE (“preparing to expand into a second Boston-area center”), and some health system-based clinics, notably that associated with Los Angeles’ CEDARS-SINAI. At Cedars, CAM activities are headed by department chair GLENN BRAUNSTEIN, MD, and clinician MARY HARDY, MD. At the time of the report, the Cedars INTEGRATIVE MEDICINE GROUP, which was started up in November of 1998 and co-funded by the medical center’s foundation, was treating 130 patients a month. Hardy expects the number of patients per month will grow “to 600 or 800” within three years. She notes the difficulty many patients have with the fact that most must pay cash, “even after we have them sign a waiver.” Zablocki’s penultimate point echoes the SMART MONEY theme (see abstract above): “And with so many traditional providers today in a financial squeeze, it seems likely that more will see complementary care as an opportunity to tap into a new revenue stream.” Zablocki concludes by suggesting that the only question is whether venture-backed businesses, health systems or stand alone CAM clinics “will ultimately reap the benefits” of the integration movement. Individual copies: $8. 800-782-1054 (www.healthcarebusiness.com)

C. MEDICAL TRIBUNE: COVER ON INTEGRATIVE MEDICINE

The cover story for MEDICAL TRIBUNE (www.medtrib.com) in early October (Volume 40, Number 17: “Integrative Medicine Gain Acceptance;” 1,7) is a positive series of interviews on health system moves into integrative medicine. The focus is on the integrative medicine efforts underway at NEW YORK PRESBYTERIAN, BETH ISRAEL, and MEMORIAL SLOAN KETTERING. Cardiothorasic surgeon MEHMET OZ, MD, the physician head of the NY Presbyterian initiative (see October INTEGRATOR), and WOODSON MERRILL, MD, who heads the Beth Israel venture, both are quoted as suggesting that the critical factor in gaining internal support has been the prior trust in their skills as conventional providers. The Beth Israel facility is slated to open next year.

End
INDUSTRY/HEALTH News File #41, December 6, 1999

__________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #42, December 15, 1999
A Service for the INDUSTRY/HEALTH Subscriber

1. DISCUSSION: FEEDBACK ON EMERGING NETWORK ECONOMICS

Two recent not-for-attribution conversations with CAM network executives, prompted by the lead article in the November INTEGRATOR, stimulated the following comments. The first: “Most of us in the industry thought that pricing of discount products would erode, but it would erode over a couple of years. We thought that the pricing this year would be at $0.05-$0.10 per member per month (PMPM), and would eventually drop to $0.02-$0.03. But the move to offer these discount networks for free has destroyed the financial viability of this business. It’s hard to be taken seriously by plans when they are getting us for free. Without any revenue from plans, we don’t have any revenue support to help plans understand how to elevate these services toward covered benefits. Without them paying, we’re just a commodity.” In the present environment, the CAM provider in a discount network has effectively become a loss leader for the sales of natural products. (See related notice under “Miscellaneous.”) The executive conceded that if the current state continues, networks will increasingly put energy, resources and creativity into enhancing their web presence and online sales of product, rather into the challenges of breaking down barriers to create more coverage for and use of CAM provider services. The second executive largely confirmed these views, adding, however, that his firm never anticipated even $0.50 to $0.10 on discounted products for large plans; he anticipated these would have been in the $0.02 to $0.03 range. He added a cautionary note that, based on research he had recently been exploring on internet sales for natural products, the revenue projections of $0.30 PMPM or higher were “very, very optimistic.” The questionable assumption in the November INTEGRATOR analysis was the percent of HMO members who could be driven to the website to make their purchases.

2. LANDMARK AND MOTHERNATURE.COM INK INTERNET DEAL

LANDMARK HEALTHCARE, the Sacramento-based CAM services organization has signed a deal with MOTHERNATURE.COM through which Landmark’s affinity/discount clients will be able to access natural products via the internet. KEVIN BURON, Landmark’s VP for sales and marketing, notes that the contract is to be announced just after the first of the year, after MotherNature.com completes its initial public offering. Landmark used an RFP process, sent to 12
firms, yielding three finalists, two of which received onsite visits. “We’re pretty attractive,” Buron notes, “because we have a pretty big base” of members. There is no corporate merging in the multi-year deal, although there are, in Buron’s words, “some levels of exclusivity around it.” Buron says Landmark believes the move “gives us a very strong player in the natural products market.” He stated that the firm is pleased that MotherNature.com is only offering natural products. Landmark had previously established a natural products alignment with LEINER HEALTH PRODUCTS, which will be discontinued, “by mutual agreement,” just after the first of the year. The agreement with MotherNature.com does not change the way that Landmark providers order traditional Chinese herbal medicines under Landmark’s covered benefits which include an herb component. Asked if any other networks were pursuing similar arrangements, Buron noted simply: “You’d have to have your head in the sand if you are not.”

www.landmarkhealthcare.com

3. FOLLOW-UP ON THE CA DOC INTERNET DISCOUNT PRODUCT NOTICE

A. Following New File #41, THE INTEGRATOR explored the development with other parties. The core question, whether selling a discount product the sale of insurance was answered this way by CALIFORNIA DEPARTMENT OF CORPORATIONS spokesperson JULIE STEWART: “The Knox Keen law in California states that if an entity is providing a healthcare service for a periodic fee or an annual fee, it should be regulated.” The action was not prompted by consumer complaints, but Stewart noted that DOC believes that the consumer could be harmed: “There is no guarantee that people will get what they pay for in these products, and we don’t even know if it’s a discount since health plans don’t generally share that kind of information.” ALAN KITNER, CEO with CONSENSUS HEALTHCARE states that the action will have no effect on his firm’s discount product since his firm has applied for and received a waiver to offer the product while Consensus continues its process toward achieving a Knox Keene license. INTEGRATOR queries revealed no evidence of any plan having received approval from DOC to offer an affinity product. In addition, I/H subscriber ROY MAURER with CROSSROADS ALTERNATIVE CARE has informed THE INTEGRATOR that the Los Angeles Times changed the location of their story on the DOC action to www.latimes.com/business/cutting/othtech/19991126/t000107844.html

B. Chiropractors Call on ACA to Do Something about Discount Products

CAM discounted, non-covered offerings, may be viewed -- if with skepticism -- as a step in the door of the mainstream payment and delivery system for providers like acupuncturists, naturopaths, and massage therapists whose services have historically been altogether absent in health plans. Elizabeth Brown, MD, of the national Blue Cross Blue Shield Association, promoted this perspective in a seminal article in Physician Executive (November-December 1998). Chiropractors, however, have already gained a foothold in mainstream payment, through supporting research and, more importantly, through campaigns at the state and federal levels to create mandated inclusion. (See Government Action, this issue, for developments in the veteran’s administration.) For chiropractors, the discount products are increasingly being challenged as a step in the wrong direction. Beginning in mid-November, a widely subscribed listserv for chiropractors began sharing an exchange. A typical comment: “Who comes up with these ideas, anyway? I cannot believe that it is ‘well intentioned’ (by the networks). It’s too self-serving. If it’s really and truly ‘well intentioned,’ please stop ‘helping!’ We were doing just fine, thank you.” Organized opposition is be forming. In mid-December, as a direct response to “daily emails and calls” from “members requesting intervention,” Patricia Jackson, vice president for professional development and research with the American Chiropractic Association (ACA) requested that the organization’s board of governors develop a position statement which promotes only those “CAM plans” which offer covered services. The issue is being considered by Gary Cuneo, ACA’s executive vice president. The focus is timely: the ACA is, according to
Jackson, about to initiate a direct contact campaign with some of the nation’s top managed care organizations.

4. CHIROPRACTIC IN HOSPITALS: ACA REPORT ON AHA DATA

The December 1999 issue of the JOURNAL OF THE AMERICAN CHIROPRACTIC ASSOCIATION includes a chiropractic-specific breakdown of data reported in the October 1999 INTEGRATOR in the AMERICAN HOSPITAL ASSOCIATION survey of CAM in hospitals. “Entering the Front Door: Hospitals Include Chiropractic Services,” by Rand Baird, DC, MPH, ACA’s 1997-1999 chair for its Hospital Relations Committee, grew out of discussions between the ACA and the AHA’s subsidiary Healthcare InfoSource, Inc., which annually produces THE AHA GUIDE. SARA PAX, of the InfoSource division, HEALTH FORUM, headed up work for AHA. Inclusion of chiropractic meant a “yes” answer to one of the following four categories: owned or operated by the hospital or a subsidiary; provided by the health system; provided by a community network associated with the hospital; or provided through a formal contractual arrangement or joint venture with a provider who is not directly in the system. Of the 4,755 respondent facilities (of 6,097 member and non-member hospitals surveyed), 215 offered some form of chiropractic. The finding was 656 for some other form of CAM, which was defined in a way which overlapped and included chiropractic; 127 responded yes to both. At least one hospital in 43 states have some chiropractic. Leaders are Missouri and Ohio, with 16 each, followed by Texas and California (14) and New York (12). The ACA paper does not differentiate between the level of chiropractic services offered. The author views this report as a “steppingstone” to potential future joint projects. Requests for more information should be directed to Barbara Dobberthien at the ACA, at 703-276-8800.

5. TWO FROM ACAM: REGARDING SUPPLEMENT SALES AND CHELATION RESEARCH

A. SALES OF SUPPLEMENTS BY PHYSICIANS A December 6 report from Reuters notes that the AMA is looking at a number of additional resolutions which are aimed at the vitamin and dietary supplement industry. The original, widely-publicized 1998 action has already seen some repercussions. According to an attorney-written article in a member mailing from AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE (ACAM), the OHIO STATE MEDICAL ASSOCIATION has put CAM-oriented physicians on notice that failure to follow the AMA’s position statement will be viewed as a violation of the Ohio Revised Code, which requires physicians to follow ethical guidelines. The state of NEW JERSEY prohibits physicians from selling over a seven day supply, and marking up the price more than 10%. Contact: GREGORY SEELEY, ESQ, 216-566-8200 (www.ssse-law.com).

B. ACAM MEMBERS ASKED TO DOCUMENT CHELATION OUTCOMES

TED ROCHEMA, MD, the new president of the AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE, opened his presidency with a mailing to members requesting prospective case studies on chelation. Rozema's letter followed a request from CONGRESSMAN DAN BURTON (R-IA) and clarification from the director of the NIH HEART LUNG AND BLOOD INSTITUTE. Burton is asking for 100 cases and Rozema is calling on members to send in 1000. The group is using a “Registry” process, with all participating physicians using the same protocol. Data collection and analysis is expected to be completed within 3 years. Rozema views the success of the PREVENTIVE MEDICINE RESEARCH INSTITUTE (see below) in getting a pilot with HCFA as evidence that his group too can make headway “If Dean Ornish can get into HCFA, he is opening the door for us to follow later.” For Rozema: 828-859-9933 www.acam.org

6. PATIENT RECRUITMENT: ADDITIONAL INFORMATION ON ORNISH/PMRI
News File #40 included an update on some of the activities for the PREVENTIVE MEDICINE RESEARCH INSTITUTE, headed by DEAN ORNISH, MD. A recent INTEGRATOR interview with GLEN PERELSON found a positive twist on the 40-ish insurers who have been known to cover the program, on at least a case by case basis. Perelson does the math this way: PMRI has 16 sites; in each site there are probably 5 significant insurers; if all covered the program, 80 insurers (5 X 16) would be on the list; therefore, while 40 may seem small as a total number of insurers, this figure represents some penetration into roughly 50%. Perelson notes that the lack of national coverage by the centers has made routine coverage by major national insurers difficult. He also shared that at the late November annual meeting of medical directors for the sites, a core agenda topic was strategies for recruitment of people into the group’s research base for both the Medicare pilot and a new study looking at an Ornish-type program for individuals with prostate cancer. CAREN RAISIN, RN, in charge of patient recruitment provides the following tips in her strategy for increasing referrals: make physicians think it’s their idea; assure them that you don’t want to manage the patient; reassure them that you value what they do; let them know that information is “out there” to support your intervention; and let them know that you can assist them with any patients who may show interest in your services. Raisin sums up her approach this way: “I love ’em up, make sure they know that we’re not trying to compete with them that your approach is something that can help them practice medicine better.” Like Perelson, she affirms that the extensive published support for Ornish’s work is immensely useful; as is the affiliation with respected physician champions. Raisin adds: “I also push ‘broad and wide’ in advertising. With CAM, you never know where you can pick up patients, and people in barber shops and health food stores will take your fliers and business cards. There are a lot of community awareness groups that will work with you.” Raisin believes her 20 years as an oncology and cardiac nurse also strengthens her ability in outreach: “I know these physicians from working with them.”

7. STUDY PEGS ONLINE NUTRACEUTICAL SALES AT $1.8 BILLION BY 2003

A recent 93 page, proprietary report on “e-tailing” by SALOMON SMITH BARNEY has pegged total nutritional products sales through the internet at $1.6 billion by 2003, from $34 million in 1998, a 117% compounded annual growth rate. An article in NATURAL BUSINESS (December 1999, pages 14, 16) notes that SSB analysts believe that many factors make online sales of nutraceuticals particularly attractive to consumers. However, the analysts believe that “only a few (3 to 5) industry players will succeed online.” Specific sites expected to survive are Drugstore.com, MotherNature.com, Healthshop.com and PlanetRx.com. www.naturalbusiness.com)

End
INDUSTRY/HEALTH News File #42, December 15, 1999

___________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #43, December 22, 1999

A Service for the INDUSTRY/HEALTH Subscriber

1. CHIROPRACTIC IN HOSPITALS: ACA REPORT ON AHA DATA
2. PHILADELPHIA UNIVERSITY/BAYER IN CAM INSTITUTE
3. PUBLISHING: NEW CAM DATA-BASES INTRODUCED
4. NEW CAM BENEFITS FROM UPSTATE NEW YORK
5. COMMENTARY: RESEARCH STRATEGIES AND POTENTIAL FROM NIH
6. HEALTHGRADES.COM IN DYNAMIC CHIROPRACTIC DEAL
1. CHIROPRACTIC IN HOSPITALS: ACA REPORT ON AHA DATA

The December 1999 issue of the JOURNAL OF THE AMERICAN CHIROPRACTIC ASSOCIATION includes a chiropractic-specific breakdown of data reported in the October 1999 INTEGRATOR in the AMERICAN HOSPITAL ASSOCIATION survey of CAM in hospitals. "Entering the Front Door: Hospitals Include Chiropractic Services," by Rand Baird, DC, MPH, ACA’s 1997-1999 chair for its Hospital Relations Committee, grew out of discussions between the ACA and the AHA’s subsidiary HEALTHCARE INFOSOURCE, INC, which annually produces THE AHA GUIDE. SARA PAX, of the InfoSource division, HEALTH FORUM, headed up work for AHA. Inclusion of chiropractic meant a "yes" answer to one of the following four categories: owned or operated by the hospital or a subsidiary; provided by the health system; provided by a community network associated with the hospital; or provided through a formal contractual arrangement or joint venture with a provider who is not directly in the system. Of the 4,755 respondent facilities (of 6,097 member and non-member hospitals surveyed), 215 offered some form of chiropractic. The finding was 656 for some other form of CAM, which was defined in a way which overlapped and included chiropractic; 127 responded yes to both. At least one hospital in 43 states have some chiropractic. Leaders are Missouri and Ohio, with 16 each, followed by Texas and California (14) and New York (12). The ACA paper does not differentiate between the level of chiropractic services offered. The author views this report as a "steppingstone" to potential future joint projects between the ACA and the AHA. Requests for more information should be directed to Barbara Dobberthien at the ACA, at 703-276-8800.

2. PHILADELPHIA UNIVERSITY/BAYER IN CAM INSTITUTE

An early December release from the UNIVERSITY OF SCIENCES OF PHILADELPHIA (USP) announced that the institution has, with partial funding from the BAYER CORPORATION, created a COMPLEMENTARY AND ALTERNATIVE MEDICINE INSTITUTE (CAMI). The program focus in natural agents with the announcement mission of setting uniform standards for herbal remedies. Executive director of CAMI is ARA DER MARDEROSIAN, PhD, a pharmacognocist who is one of the leading international authorities on natural products research. Staff will include 16 USP faculty. The research will focus on analyses of herbs, bioassays, in vitro and in vivo studies, and clinical evaluations of supplements and other herbal preparations. In the release. USP President PHILIP P. GEBRINO explains, "The establishment of this Institute is a continuation of our original mission. When we were founded in 1821 as the Philadelphia College of Pharmacy, a primary goal was to raise the quality and purity of drugs in the marketplace." USP was founded in 1821, the nation’s first college of pharmacy. Bayer Corporation's Consumer Care Division, based in Morristown, NJ, manufactures One-A-Day multivitamins and Specialized Blends. PR Newswire, 12/8/99.

3. PUBLISHING: NEW CAM DATA-BASES INTRODUCED
Recent months have seen a wide array of new written, CD ROM and electronically-available database resources on CAM targeting providers are entering the marketplace. These databases are promoted as critical tools for advancing physician understanding of appropriate uses of CAM therapies and agents.

A. INTEGRATIVE MEDICAL ARTS DEBUTS "INTERACTIONS"

Portland, Oregon-based INTEGRATIVE MEDICAL ARTS (IMA), publishers of the IBIS (Integrative BodyMind Information System) CD-ROM database on natural therapies, is now publishing "Interactions: IBIS Guide to Drug-Herb and Drug-Nutrient Interactions." The firm, headed by MITCHELL STARGROVE, ND, LAC, created the earliest provider-oriented, computerized CAM database products over ten years ago. Stargrove used a large group of naturopathic physicians and acupuncturist contributors, mainly associated with NATIONAL COLLEGE OF NATUROPATHIC MEDICINE, also in Portland. Stargrove has subsequently broadened his contributor and advisor list to include an encompassing array of professionals, including INTEGRATOR advisors TED KAPTCHUK, OMD, CHRIS FOLEY, MD, and ROBERT STERN, DC. Text price: $99.95. Contact: 503-526-1972, or www.IBISmedical.com

B. HEALTHNOTES "CLINICAL ESSENTIALS GUIDE"

October 18, 1999, HEALTHNOTES, INC. (HNI), founded by chiropractor SCHUYLER LININGER, DC, also based in Portland, introduced "Clinical Essentials Guide to Drug-Herb-Supplement Interactions." HNI is presently the leading provider of consumer content on natural products for the web, with over 20 partner firms licensing its $150,000/year data base. (See XXXX INTEGRATOR for a partial list of clients.) Content in the new publication, also available electronically, includes information on drugs which can deplete the body's essential nutrients, supplements which may improve a prescription's effectiveness or reduce side effects, and "which herbs and drugs should never be taken together," according to a company release. The text is the first major foray into the conventional provider market by HNI. The written version is a 325 page, loose-leaf binder. At a recent New York meeting on health care and the web, Lininger revealed that the firm's 1999 revenues are expected to reach roughly $5 million. Core contributors to the data base are STEVEN AUSTIN, ND, and DONALD BROWN, ND, both leading educators on natural products. Brown also holds a position with WARNER LAMBERT's natural products division. The multi-disciplinary HNI team also includes therapeutic nutrition pioneer ALAN GABY, MD, a faculty member at BASTYR UNIVERSITY. Text price: $59.95. Contact: interactions@healthnotes.com or 800-659-7630.

C. INTEGRATIVE MEDICINE COMMUNICATIONS: ACCESS, NEW COMMISSION E

Newton, Massachusetts-based INTEGRATIVE MEDICINE COMMUNICATIONS (IMC), publishers of the INTEGRATIVE MEDICINE CONSULT and THE INTEGRATOR, provides content on integrative medicine available both in text and electronic formats. The award-winning German COMMISSION E, authored by the AMERICAN BOTANICAL COUNCIL, is now available as an expanded, licensable, reference database, entitled HERBAL MEDICINE/EXPANDED COMMISSION E MONOGRAPHS. Citations, references, dosages, contraindications and adverse effects are offered on over 100 herbs. A text version is available at $49.95. IMC has also launched "Integrative Medicine Access", a database providing allopathic and alternative treatment options, side by side, condition specific and cross-referenced with herbs and dietary supplement monographs to create a broad platform on integrative medicine. The firm plans to introduce comprehensive content on herb/drug interactions and depletions in the first quarter of 2000. These products are available in electronic as well as in print formats. Among IMC database clients are MORE.COM, MEDCONSULT.COM, HEALTHQUICK.COM, ONHEALTH.COM and MDCONSULT. The IMC editorial team is a consortium, led by conventional physicians, whose affiliations range from JOHNS HOPKINS medical school faculty members to integrative clinic directors to past presidencies with the AMERICAN HOLISTIC MEDICAL ASSOCIATION. The
work of the MDs is supported by pharmacists, nurses and representatives of distinctly licensed CAM professions. Contact: Marcy Robinson, at (617)641-2300 - www.onemedicine.com

D. MICROMEDEX RELEASES ALTCAReDEX

In mid-November (11/16, PR Newswire), MICROMEDEX announced release of its “AltCareDex” data base of patient education materials on supplements and therapies. The release makes similar claims about the database: “usage, dosage, side effects, interactions and precautions.” Micromedex uses providers from both the conventional medical and CAM communities. The firm, based in Denver, Colorado, is a division of THOMSON HEALTH INFORMATION GROUP. Micromedex boasts use of its conventional information by “over 9,000 facilities in 92 countries.” Contact: Nancy Sayre, at 800-525-9083. www.micromedex.com

4. NEW CAM BENEFITS FROM UPSTATE NEW YORK

A. “CAM STARTER KIT:” UNIVERA/LANDMARK IN ACU/MASS CORE BENEFIT

In one of the few moves in 1999 by an HMO to include CAM in a core benefit in a non-mandated environment, upstate New York-based UNIVERA has contracted with Sacramento-based LANDMARK HEALTHCARE for a combined acupuncture and massage benefit which will be part of the 130,000 member HMO’s core benefit. Services will only be covered for a limited set of conditions, and based on a referral from a PCP, with a $20 co-pay and 10 visit limit. KEVIN BURON, senior VP with Landmark calls the program a “CAM starter-kit.” He adds that purchasers can “buy-up” into a more rich benefit. The initial network will include roughly 50 massage therapists and 10-12 acupuncturists. Both provider categories are licensed in the state. Landmark is using national certification exam developed through the AMERICAN MASSAGE THERAPY ASSOCIATION as a core credentialing requirement. Buron believes the benefit may be the first non-mandated for massage in group health. [Any other information would be welcome. Most Washington state plans include these practitioners under the state’s 1995 “every category of provider” mandate.] The HMO, a link between Syracuse-based PHP and Buffalo-based HEALTH CARE PLAN, will be in effect for all members starting January 1, 2000. The members of the Buffalo plan had access to the services as of October 1, 1999. Buron identifies the value of the start-kit this way: “This is a movement toward real covered benefits, so these providers can be part of disease management.” One of the other, significant core CAM benefits this year was also through Landmark, with PHS in the NY/CT/NJ tri-state. The internal leader on the product is JOHN WALKER, the HMO’s senior director for health services.

B. TWO NEW YOUR BLUES ADDS CAM DISCOUNTS VIA CONSENSUS

Members of BLUE CROSS AND BLUE SHIELD OF WESTERN NEW YOUR and BLUE SHIELD OF NORTHEASTERN NEW YORK are the latest Blues plans to jump onto the CAM discount bandwagon. Each will contract with Emeryville, California-based CONSENSUS HEALTH to deliver the products. Services (and discounts) will include acupuncture and massage therapy (255), spas/fitness centers and personal trainers (15%), as well as discounts on healthful meals from local restaurants (15%). Spokesperson for the two plans, in the Consensus-generated release, is CYNTHIA AMBRES, MD, who serves as chief medical officer for both. Total lives include 750,000 commercial and 1.6 million Medicare. Consensus now claims 7 million people will be served through its contacts. The offering begins February 1, 2000, and extended to individuals in both managed care and indemnity products. For Consensus, contact Scott Marber (510)285-2123.

5. COMMENTARY: RESEARCH STRATEGIES AND POTENTIAL FROM NIH
A Beltway lobbyist who wished to remain off the record recently shared with THE INTEGRATOR some useful perspectives on developing funding possibilities for research. The lobbyist was referred to THE INTEGRATOR by MARC MICOZZI, MD, PhD, executive director for the COLLEGE OF PHYSICIANS OF PHILADELPHIA COLLEGE and a leading CAM editor and writer. First, the NIH NCCAM is scheduled to receive another substantial increase in next year’s budget -- up $19-million (40%) from the present $50-million level. The lobbyist views the increases as part of broader jumps in NIH appropriations: up $2 billion last year and another $2.3 billion in the most recent appropriation. Each represents an approximately 15 percent annual growth rate. The lobbyist believes there is a huge potential opening with this new money, that the NIH has “not begun to spend” all of last year’s new money: “The NIH is growing so fast that it will have to define itself in a broader way.” He believes that the broader definition may mean a greater willingness to move more aggressively into some of the health system, economics and cost-benefit research questions which may be useful to CAM interests. The broadening of mission could create more opportunities to gain answers to the kinds of “soft” issues which employers are asking regarding CAM’s role in increasing productivity and functionality, while decreasing “presenteeism” and absenteeism. He also believes that the increased funding may mean additional opportunities through such small NIH players as the OFFICE OF BEHAVIORAL AND SOCIAL RESEARCH. For Micozzi: (215)563-3737 x212

6. HEALTHGRADES.COM IN DYNAMIC CHIROPRACTIC DEAL

Lakewood, Colorado-based SPECIALTY CARE NETWORK, through its majority-owned subsidiary, HEALTHGRADES.COM, recently signed an exclusive agreement with DYNAMIC CHIROPRACTIC to make available a national directory of chiropractic. The dot-com firm will receive both a database on 60,000 chiropractors but also online access to the publication’s chiropractic-related 7,000 articles. KERRY HICKS, CEO of HealthGrades.com and its parent corporation, spoke of the acquisition as part of the firm’s “continuing to expand our specialty information offerings and to help consumers make better informed decisions about their health care.” Dynamic Chiropractic, a bi-weekly, is the most widely reach of chiropractic publications. While HealthGrades.com is known for report cards on health facilities, the company release did not specifically note whether this function would be extended to chiropractors. The firm is positioning its ratings site as a portal for consumers to locate a wealth of information on health care providers. Patrick Jaeckle, 303/716-6509; www.healthgrades.com

End

INDUSTRY/HEALTH News File #43, December 22, 1999

-------------

NEWS FILE #44, JANUARY 3, 2000

A Service for the INTEGRATOR INDUSTRY/HEALTH Subscriber

TOP 10 TRENDS FOR CAM MOVING INTO THE YEAR 2000

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 1999

-------------
Hello and Happy New Year! I thought I would begin the year by sharing with you, in advance of publication in January-February INTEGRATOR, my look at the top 10 trends for our industry as we head into the year 2000. Curious about where you think I’ve missed the boat, gone overboard, set a useful course. Best wishes to each of you in your work in the coming year. -- JW

TOP 10 TRENDS FOR CAM MOVING INTO THE YEAR 2000

--- Moving Beyond the Quarantine

“Predicting is difficult, especially about the future,” Dan Quayle is said to have stated.

Last year’s predicted trends (January 1999 INTEGRATOR) missed the mark in a few places. Notably off were expectations about the impact of the proposed federal CAM commission (not yet off the ground) and the emergence of the federal government as a purchaser (still mostly in study phase – see ORNISH story, and VETERAN’s short, this issue). However, an overall it’s gonna be slow tenor to the 1999 forecasts (“Health Plans Get Queasy: Opt for Non-Benefit Benefit;” “Last Hired, First Fired”) seems, on reflection, to decently well, if not always happily, capture 1999 activity.

To honor the mind-body notion that things visualized are at least marginally more likely to occur, I’m letting jazz lyricist Mose Allison sit in to establish the tenor for the year 2000. Allison sang: “Put the accent on the affirmative.” The positive accent in some of these trends, however, is not just energetically based. Those involved with integration initiatives in the coming year will not only be able to shape their initiatives based on an emerging experience base. Broader demographic and economic and factors, as noted, will also create opportunities.

1. EXPANSION OF CAM INTEGRATIVE CLINIC OFFERINGS

For expansion-oriented integrative clinics, 1999 was a year of holding tight, restructuring, getting one’s bearings and, as MORT ROSENTHAL, CEO of Boston-based WELLSPACE puts it, “proving or changing the model.” Individual operators can now make decisions based on proprietary and collective wisdom, together with maturing relationships, rather than the intoxication of an imagined market. FORECAST: Solid, sober, step-by-step advancement of some ventures, the addition of new facilities or satellites, and for others, new services which are more deeply integrated into health system activities of parent organizations. CAM units will increasingly be at the table in health system strategic planning. Meantime, health system-based ventures will begin to be viewed more positively, as system-wide business losses following the 1997 balanced budget act start shrinking in the wake of 1999 corrective legislation.

2. EMERGENCE OF COLLABORATIVE AGENDAS
Perhaps the critical moment in the maturation of any industry or profession is when leaders recognize that there are places to collaborate and place to compete, and decide it's about time they learn to collaborate. FORECAST: Year 2000 will be marked by significant collaborative activity among diverse stakeholders. Some will be informal, via internet listserves, or temporary, via CEO conferences. Others, such as the AMERICAN HOSPITAL ASSOCIATION initiative and those between academic medical centers, will be more ambitious as the CAM industry realizes its economic presence in healthcare requires combined clout.

3. INROADS IN INPATIENT SERVICES

The door to inpatient care -- where most healthcare dollars are spent and conditions are most grave -- has been a line in the sand across which little CAM has yet crossed. New explorations at respected institutions will bless the in-migration of CAM into hospital care. FORECAST: The twin rivers in mainstream medicine of the so-called “healing healthcare” movement and of CAM integration will increasingly unite to give strength to CAM’s role in hospital-based care. The former will gain breadth, depth and therapeutic expansion, while the CAM integration movement will gain authority and respect by deeper association with pioneering efforts to humanize hospital medicine.

4. HEALTHPLANS SLOW: SHAKE-OUT AND CONSOLIDATION OF THE NETWORKS

The economic shock to CAM networks of health plan preference for discount products over covered benefits, combined with the draconian network competition which led some major networks to offer discount products for free, will cut small players out of the market and leave medium players looking for partners. FORECAST: No more than 3-4 of the would-be national players will have the backing to wait out the red ink. The wait may prove long. Healthplans will increasingly be recognized as the last kids to embrace a substantive CAM exploration -- following not only consumers, physicians, and health systems, but even employers, who eventually will, over the next five years, awaken the sleeping giant. A subset of plans will begin to offer some covered benefits as the proliferation of discounts will mean that market-distinction requires moving CAM up a notch. The “CAM Starter Kit” strategy, described in this issue, gives risk-adverse plans an easy method for gaining a leg-up.

5. CAM SCAM: CAM PROVIDERS SAY NO TO CAM DISCOUNTS

The first excitement of inclusion has left the distinctly licensed CAM providers. Networks are already having a hard time credentialing quality providers, especially when their only certain offer to participating providers is that they will have to do more for less, with their present clientele pleased as punch when they show up to pay for their new “deal.” Many CAM providers have as cornerstones of their cash practice the very people whose would be most attracted to the discounts. Marketing advantage for the plan is directly felt as income loss to participating providers. FORECAST: Healthplan love of the discount (low/no risk, high marketing value) will bang up against growing CAM provider disdain and refusal to participate. “CAM Scam” will increasingly roll off the tongues of providers as synonymous with “discounts.” (See related article, this issue.)

6. INTERNET/INTRANET STRATEGIES ENHANCE COVERAGE AND DELIVERY

Numerous significant forces are pushing internet and intranet CAM strategies. Network economics will push web investment and partnerships, such as the LANDMARK HEALTHCARE-MOTHERNATURE.COM deal reported this issue. Second, good education is a necessary first step in deepening CAM integration and referrals. Diverse publishing interests -- including the folks at onemedicine.com who publish this newsletter -- are sending out marketing teams to convince health systems that CAM databases and other products are the ideal internet and intranet platforms for advancing CAM understanding and integration. (See Publications, this issue.) Additionally, more educational offerings, like the Program in Integrative Medicine at the
UNIVERSITY OF ARIZONA SCHOOL OF MEDICINE, will offer CAM programs electronically. Finally, there is the general health system infatuation with the net. FORECAST: CAM’s consumer focus and the internet as symbol of consumer power will increasingly be intertwined in combined strategies.

7. PRESENTEEISM: CAM EXPLORED AS AN EMPLOYER’S ALLY

The advancing seller’s market for labor amidst a growing economy and shrinking labor pool is prompting increasing numbers of employers to view employees as an investment rather than as a cost center. FORECAST: Thoughtful business leaders will connect the dots and see that the consumer’s investment in his/her own health, via cash payment for CAM services, may well be a useful divining tool for forming their own efforts to create health and productivity, thereby enhance employee loyalty and productivity. The awakening to “presenteeism,” explored this issue, opens a new door to pitch CAM’s cost-effectiveness.

8. RESEARCH: FRAMING QUESTIONS FROM THE DEMAND SIDE

The consumer -- on the demand side -- brought CAM to the table. Consumer assertions (“felt better,” “could do more stuff,” “it’s effective,” “helped with my chronic condition,” “didn’t have the side effects”) were, however, immediately translated into more reductive framing by medical directors and researchers who operate on mainstream medicine’s “supply side” (“what is the mechanism?” “which individual agent in the wholistic protocol, if any, is really having an effect?”). Something was lost, besides the factor of the patient’s self Experimentation, in the translation. FORECAST: The emergence of the employer’s CAM interest -- on the demand side -- will bring the consumer’s original assertions back onto the research agenda, but with a little more clout this time. The vast expansion of NIH funding, in general, and specifically at the NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE (see Government Action, this issue) will create more funding opportunities for “demand-side” questions.

9. NATIONAL COMMISSION INCREASES FOCUS ON BROADER INTEGRATION ISSUES

Late 1999, like late 1998, was marked by rumors of impending appointment of members to a WHITE HOUSE CAM COMMISSION which is to examine opportunities to enhance appropriate integration and identify policy barriers. FORECAST (amended from last year’s similar expectation): It would be foolish for the White House in this election year to not stick this additional feather in its political cap. Such a Commission creates an opportunity to systematically engage the challenges righting the legacy of widespread, historic prejudice against natural healthcare in U.S. health policy.

10. BOOMERS WILL CONTINUE TO GET OLDER AND SICKER

This Dan Quayle Memorial Prediction makes certain something is correct in these prognostications. FORECAST: The aches and pains of aging boomers, and their continuing exploration of CAM approaches as consumers, will continue to be the special ingredient fueling the CAM integration movement. From positions of power in medical systems, HMOs and corporations, aging boomers will expand their roles as the internal champions of integration strategies for natural healthcare.

Your comments, as always, are welcome. 206-933-7983, or my personal e-mail: pihcp@aol.com.

End
INDUSTRY/HEALTH News File #44, January 3, 2000
1. TWO ON CAM UTILIZATION: ND, LAC AND LMP IN WA; HCFA AND CHIROS

A. NOTES ON LEVELS OF CAM UTILIZATION IN WASHINGTON STATE

Two INDUSTRY/HEALTH subscribers recently requested utilization information about CAM services. The following brief notes may be useful to other subscribers. A good source was a study in Washington involving covered member of GROUP HEALTH COOPERATIVE OF PUGET SOUND and PREMERA BLUE CROSS in the second year following the 1995 mandate. Both looked at a combination of massage, naturopathy and acupuncture. The first is a gatekeeper model with a limited set of conditions (6-8) approved for each CAM provider type, the Blues plan a direct access, $500 limit, 50/50 co-pay. At GHCPS, 0.6% of members were referred for covered CAM. The average cost to the plan, per user, was roughly of $385. In the PPO model at Premera, 1.2% of patients used, average cost to Premera of about $185. Interestingly, if the patient share of $185 in the 50/50 model is added in, the total is roughly the same as that at GHCPS. Both were in the 2nd year of the mandate; the plans were not promoting the CAM products to members which may account for some of the low utilization. Note that this is not “used CAM” or even “used CAM for the covered conditions.” Rather, it is the subset of users whose worked the system to get coverage. The numbers reflect a combined use of ND, LAc, and LMP. GHCPS said that this combined use was less than 1/3 of the use of chiro alone. The data is from a study, by DARRELL STEWART (then with CAM network ALTERNARE HEALTH SERVICES), JOHN WEEKS, and STEVEN BENT, MD, of the UCSF Osher Center. The study has been submitted for publication, but the data was reported by PETER WEST, MD, a medical director for Premera, and Weeks, at a HEALTH FORUM conference in Hawaii.
COMMENT: The I/H subscriber asked if this data suggest that the national survey data is “misleading” or “rubbish.” One perspective: Take the Eisenberg data (42% use) or Stanford/ASHP (69% use). Factor out self care. Factor out non-covered nutraceuticals. Factor in medical necessity/limited conditions. Factor in gatekeeper/limited access. Factor in provider networks/limited selection. Factor in the refusal of some patients to engage the hassle factor of insurance (“I’ve been paying cash, might as well continue to …”). Factor in worried plans not advertising their benefits and CAM consumers not knowing they exist. Factor in the “first years of a benefit is always when the insurer/network makes a killing” (because no one knows it exists). The result would be expected to be a truly skinning band of initially covered services.

B. HCFA TO REPORT BASELINE DATA ON CHIROS IN MANAGED MEDICARE

According to release from THE AMERICAN CHIROPRACTIC ASSOCIATION, the OFFICE OF THE INSPECTOR GENERAL of the US HEALTH AND HUMAN SERVICES, the (OIG) will provide in its "Work Plan" for the year 2000 "baseline data on chiropractic utilization by Medicare enrollees in managed care organizations." The information, which has been requested by the Health Care Financing Administration (HCFA), "will assist HCFA in monitoring managed care organizations' compliance with HCFA policies on chiropractic care," according to the OIG. ACA attributes the HCFA action to the pressure of an ACA's lawsuit against HCFA, filed in November 1998 in U.S. District Court, which argues that many seniors are effectively denied their legal right to chiropractic services in managed Medicare. A 1999 HCFA report showed the number of HMOs that claimed to make available chiropractic services but included no information regarding whether any patient actually received chiropractic services, from whom, or the number of services provided. Early data has suggested that while 4-5% of seniors use chiropractic services in traditional Medicare, the figure has shrunk to only 0.5% in managed Medicare.

2. AWHN TO BE AWARDED NATIONAL CONTRACT WITH UNITED HEALTHCARE

Solid reports from inside the industry are that UNITED HEALTHCARE, the 15-million member for profit HMO, has selected AMERICAN WHOLEHEALTH NETWORKS as its partner in a national roll-out of a CAM product. Sources at United would not confirm the reports for THE INTEGRATOR at this time. AWHN was known to have secured United contracts on discount products in Georgia and Colorado. The network was believed to have the upper hand, given a reportedly $10-million United investment in AMERICAN WHOLE HEALTH. The award, which follows an extensive national bidding process, is expected to be mainly to provide networks to support discount products.

3. CONSUMERS: BREAST CANCER PATIENTS USING CAM STILL NOT TELLING MDS

The JOURNAL OF THE NATIONAL CANCER INSTITUTE reported in early January that use of CAM is high (48%) among breast cancer patients, but only a half are talking to their physicians about it. The researchers, headed by Marion M. Lee, PhD, from the department of epidemiology and biostatistics at the University of California, San Francisco, are recommending that physicians broach the subject with their patients. The most commonly reported alternative remedies were dietary therapies (26.6%). Of these, 8.2% were megavitamins and 19.8% were other specialized diets. Other common therapies included spiritual healing (23.7%), herbal remedies (12.9%), physical methods (14.2%), and psychologic methods (9.2%). The researchers concluded that the prevalence of using some therapy is 10%-30% higher than reports from pre-1995. The researchers looked at use by ethnicity and found that blacks most often used spiritual healing (36%), while Chinese women most often used herbal remedies (22%), Latina women most often used dietary therapies (30%) and spiritual healing (26%). For whites, 35% used dietary methods and 21% used physical methods such as massage and acupuncture. From WEBMD, January 7, 2000,
4. FOUR ON CAM BUSINESSES AND THE WEB

A. ALIGNIS INKS INTERNET NATURAL PRODUCTS DEAL WITH VITAMINS.COM

Continuing a trend in the network industry, Georgia-based ALIGNIS has announced a formal affiliation with internet retailer VITAMINS.COM. The Alignis release noted that the 2.2 million members of HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY will become the first Alignis clients to access the program. The agreement was announced by CELIA TULLY, the firm’s VICE PRESIDENT FOR BUSINESS DEVELOPMENT. Vitamins.com is known for its deep discounts, noted as between 15%-52% in the release. Other components of the product provided by Vitamins.com are a “Health Encyclopedia”, online nutritionist, a personal trainer, and an online newsletter. Noting the affiliation for Vitamins.com is ROBERT HAFT, President and CEO of Vitamins.com. Alignis manage programs for more than 6 million health plan members nationwide. Last month THE INTEGRATOR reported that LANDMARK HEALTHCARE had signed a similar deal with dot-com competitor MOTHERNATURE.COM. For Alignis, contact (404) 848-0944. For Vitamins, George Evanko, 202/293-8561, or evanko@promarcagency.com.

B. ONEBODY.COM SURFACES AS CONSENSUS’ INTERNET PLAY

A late 1999 national mailing to CAM providers from ONEBODY.COM provides the first inkling of the direction CONSENSUS HEALTH is taking with the $11-million in venture money the firm has secured toward a major dot-com play. A spokesperson for Consensus confirmed an INTEGRATOR query about whether OneBody was related. While a formal announcement is not scheduled until early later this month or early February, the provider mailing provides some insights. OneBody is presented as “a unique community of health professionals devoted to bringing alternative, complementary and traditional medicine into harmony.” Providers are being given an opportunity to have an “in-depth, customized web page” created, including such things as a photo, typical fees, accepted payment methods and “personal message or mantra.” The final message: “Find out how much further each of us can go by thinking, speaking and acting as one.” The site appears to be the first which is focusing this significantly on the CAM professionals. The business slogan: “Helping people connect with health alternatives and healing professionals.”

C. AWH FORMALLY ANNOUNCES WHOLEFOODS DEAL

In a January 4 release which states the firm is the first web site to exclusively focus on the “$39.7 billion integrative medicine market,” AMERICAN WHOLEHEALTH, publisher REBUS and natural foods supermarket WHOLE FOODS formally announced WHOLEHEALTHMD.COM. (See News File # and ??? INTEGRATOR.) The release states that the WholeHealthMD web site will offer “doctor-directed, customized self-care strategies for dealing with more than 100 common ailments in early 2000.” These “Healing Paths(TM)” will be based American WholeHealth protocols. The release positions WholeHealthMD as combining “one of the country's leading consumer health information publishing companies, the largest board-certified network of physicians and health professionals specializing in integrative medicine, and the world's pre-eminent retail chain specializing in whole foods and health products.” AWH is presented as having 14 operating clinics, and AWHN as having relationships with over 20 companies representing 20 million lives.

D. HEALTHNOTES FORMS MEDICAL ADVISORY BOARD

Portland, Oregon-based HEALTHNOTES, a leading provider of internet content on CAM, has added a medical advisory board to its base of CAM provider content providers. Among those on the board are BRUCE BARRETT, MD, PhD (anthropology)/University of Wisconsin Medical School in Madison; SARAH L. BERGA, MD/University of Pittsburgh School of Medicine; RICHARD PODELL, MD, FACP/East Coast Clinical Research, BARRY RUMACK, MD/Chairman Emeritus and founder of Micromedex, Inc; VICTOR SIERPINA, MD/University of Texas Medical
5. CAM PROFESSIONS: CHIROS SHIFT AETNA GUIDELINE ON ACUTE LOW BACK

In action taken in support of its Ohio affiliate, the AMERICAN CHIROPRACTIC ASSOCIATION, The AMERICAN CHIROPRACTIC ASSOCIATION recently succeeded in convincing AETNA-US HEALTHCARE's to include “manipulation” in its guidelines for low back pain. Following intervention by PAT JACKSON at ACA, Aetna re-issued a new guideline which notes that "a short course of physical therapy or other spine therapy, such as spinal manipulation or massage may be beneficial." The core of the ACA’s case is the Agency for Health Care Policy and Research guidelines on acute care for back pain in which the only treatment (other than NSAID’s) recommended by the US Government was manipulation. The ACA states that subsequent guidelines issued by insurance companies and some medical groups have “conveniently omitted manipulation from their guidelines.”

6. “PRESENTEEISM” AND THE EMPLOYER-CAM CONNECTION

The November issue of BUSINESS AND HEALTH includes a four page feature on the emerging concept of “presenteeism” as a benefit outcome. The term is defined, somewhat non-intuitively, as “the productivity loss that occurs when workers are on the job but are not fully functioning.” The term was reportedly first used in an October 1999 issues of the JOURNAL OF OCCUPATIONAL AND ENVIRONMENTAL MEDICINE. Conditions which are associated with high presenteeism are digestive disease, respiratory disease, injury and mental health disorders. The authors, WAYNE BURTON, MD, and DANIEL CONTI, PhD, both with BANK ONE in Chicago, argue that that the optimal context for “quantifying the true cost of employee health” is to consider this indicator together with the more traditional absenteeism and disability indicators. Burton is a senior VP with the bank card firm and a member of the publication's board of editorial advisors and Conti ran the employee assistance program which was studied by a team which included researchers at the HEALTH MANAGEMENT RESEARCH CENTER at the UNIVERSITY OF MICHIGAN. The group found an average of 4.3 hours lost per employee per week due to presenteeism. From a health risk perspective, the researchers found that diabetes was by far the most debilitating in terms of lost productivity (“presenteeism”). See “The Real Measure of Productivity,” pages 34-36. (Note: The current vogue of this concept as employers seek to focus on health creation strategies is also evident in a recent announcement from the INSTITUTE FOR HEALTH AND PRODUCTIVITY MANAGEMENT (IHPM) www.ihpm.org. This organization, which has as its central mission the building of the business case as to why employee health is a good investment, has engaged a partnership with benefits management firm WILLIAM M. MERCER “to develop practical tools for measuring health-related at-work ‘presenteeism.’” A December 1 PR News release from IHPM notes that the project has moved from an initial “reconnaissance phase to market research and prototype testing.” For IHPM: RAVEN RUFFNER, director of business development, at 540-456-4747. For B&H, call 800-432-4570.

End
INDUSTRY/HEALTH News File #45, January 14, 2000

__________________________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #46, January 28, 2000

A Service for the INDUSTRY/HEALTH Subscriber
1. INTEGRATIVE CLINIC DEVELOPMENTS
   A. BENCHMARKING SURVEY: PROVIDER INTEGRATION A MAJOR CHALLENGE
      Follow-up interviews with over a dozen leaders of integrative clinics which have been part of the INTEGRATOR’s “Integrative Clinic Benchmarking Survey” reveal that most operators did not anticipate the work required to truly create integrative teams. The interviews, the results of which will be in the March INTEGRATOR, ask operators to recall their business plans then reveal: 1) major “surprise” that was not in the plan; 2) any “breakthroughs” n challenges which were identified; and 3) “goals” for the year 2000. Most of those interviewed noted that the non-integrative behavior of clinic providers was either an unanticipated hurdle or a major area of attention. One spoke of an incoming belief that “there would be more desire to work together to think harmoniously about patients.” What was found, in the words of another, “is that it’s not a small task, moving these providers out of their silos and doing it in a way the providers say makes sense -- we are working to make sure that patients are treated, when appropriate, in a multi-disciplinary way.” INDUSTRY/HEALTH subscribers may receive a copy of these results by e-mail in mid-February if requested. Email requests to Charlie Priester at isnh@quidnunc.net.
   
   B. OXFORD CONTRACTS WITH GRIFFIN/YALE CLINIC, OTHER CENTERS
      OXFORD HEALTH PLANS, an early HMO in offering CAM benefits and discounts, announced on January 25 its plans to cover “consultative services” from the new INTEGRATIVE MEDICINE CENTER associated with GRIFFIN HOSPITAL in Derby, Connecticut. DAVID KATZ, MD, is director of integrative medicine at the Griffin facility, which features an MD/ND (naturopathic physician) combined process. JAMES DILLARD, MD, DC, CAc, medical director for complementary and alternative medicine at Oxford Health Plans, heralds the product this way: "By discussing health concerns with a medical doctor and a naturopathic physician at the same time, members can integrate more traditional and complementary care, and feel comfortable with the health care choices they are making," Coverage requires a referral. KAREN MUEHLBERG, who manages Oxford’s program, notes that this is anticipated to be one of many "similar arrangements with world-class integrative complementary and alternative medicine centers throughout New York, New Jersey and Connecticut," said Muehlberg. This may be the first time
a health plan has specifically announced an intention to treat integrative facilities in a special way.

C. EISENBERG GROUP IN $900,000 FROM MEDTRONICS FOR CLINIC

Minneapolis-based MEDTRONIC FOUNDATION has awarded a $900,000 grant over three years to BETH ISRAEL DEACONESS MEDICAL CENTER to support infrastructure developments on a model integrative facility. DAVID EISENBERG, MD, an assistant professor of medicine at HARVARD MEDICAL SCHOOL, will direct the project. A January 19 release identified the leading infrastructure “components” which Eisenberg views as necessary in a conventional medical establishment as: 1) development of referral mechanisms; 2) credentialing and quality assurance; 3) “communication strategies;” 4) creating standards for a natural products formulary; 5) development of educational materials; and 6) creating secured electronic data collection methods.” Eisenberg states the goal as “to develop a model that serves as a resource for other Harvard affiliated teaching hospitals.” The integrative team is expected to include primary care doctors, nurses, pharmacists, together with “complementary care clinicians” such as acupuncturists, chiropractors and massage therapists. The “model unit” is expected to have a strong research focus as well as an educational thrust for “the next general of health care providers.” In the announcement, Eisenberg asserts that “no current clinical care model successfully integrates these forms of medical care. The founder of Medtronics, EARL BAKKEN, has been a significant donor to various CAM initiatives, most notably the NORTH HAWAII HOSPITAL and the FIVE MOUNTAIN MEDICAL COMMUNITY.

2. MEDTRONIC GRANTS PROMOTE NEED FOR “INTEGRATED, PAT.CENTERED CARE”

The donation by the MEDTRONIC FOUNDATION to the Eisenberg group noted immediately above was one of three significant grants to support “integrated, patient-centered care.” Interestingly, Medtronic is among the world’s leading medical technology companies. The foundation’s release describes the concept of integrated, patient-centered care, to which its funds are devoted: " … a new healthcare delivery model for the chronically ill, aimed at bridging the gap in care currently experienced by physicians and patients alike." This approach described as “giving these patients the time, resources and support services they need to achieve ‘total health’ as they manage their disease throughout their lifetime.” The approach is counterpoised with the technology-intensive acute care in which Medtronic has excelled. WILLIAM GEORGE, chairman and CEO of Medtronic states: "Medtronic recognizes that healing and restoring patients to full health requires treatment of the whole patient, as well as state-of-the-art medical technology." PENNY HUNT is executive director of the Medtronic Foundation and Community Affairs. The grants are part of the Medtronic Health Center Leadership Grant program. The SCRIPPS CENTER FOR INTEGRATIVE MEDICINE will use the grant to help the system roll out a whole person cardiovascular program to other Scripps locations. The center’s cardiovascular program is a three-to-six month program for patients with documented cardiovascular disease or risk factors and includes a life skills component, nutritional counseling and an emphasis on the mind/body connection. Mimi Guarneri, M.D., is medical director of the Scripps Center. At the STANFORD CENTER FOR RESEARCH IN DISEASE PREVENTION/THE STANFORD HEART NETWORK, grants funds will be used to expand an educational risk reduction program which focuses on life skills and health improvement support to patients through their own physicians’ offices. The grant will help Stanford evaluate its current programs, develop training workshops, and establish an Internet site, complete with training resources and links with clinical sites internationally to facilitate the sharing of information on their respective risk reduction programs. The release notes that in addition to the grants, Medtronic will also “partner with these institutions to identify benchmarks of success, disseminate information and educate others about these effective healthcare models.” Contact is Chris Campbell-Loth, Public Relations of Medtronic, at 612-514-8547. www.medtronic.com
3. CAM RESEARCH: TCM/U PITT CENTER, GONZALEZ/CANCER

A. UNIVERSITY OF PITTSBURG GROUP TCM RESEARCH

A consortium of interests involving the US and Chinese governments, and the pharmaceutical industry have are establishing an INTERNATIONAL TCM (traditional Chinese medicine) CENTER at the UNIVERSITY OF PITTSBURG’s. The JEWISH HEALTHCARE FOUNDATION approved $100,000 for initial funding for researchers to help them create “the leverage to build a climate for research and development and to turn Pittsburgh into a global research center,” according to KAREN FEINSTEIN, the foundation’s executive director. The center now has a $10 million investment commitment. Heading up the development of the International TCM Center is TIMOTHY PARKS, president and chief executive officer group the PITTSBURGH REGIONAL ALLIANCE. The Alliance views the center as a major, ongoing economic stimulus, called the new enterprise a “singular event for the economic development” of the region. A search for program director is underway. Seven Chinese herbs believed to be effective in the treatment of solid tumors and gastrointestinal disorders will be studied first, according to RONALD HERBERMAN, MD, director of UPMC’s CANCER INSTITUTE. Ground work for the project reportedly included a 1999 invest by UPMC of $16 million in CADUCEUS CAPITAL HEALTH VENTURES (CCHV). CCHV is a for-profit, $60 million group from Boston that funds biomedical start-up companies. Caduceus, in turn, founded PHYTOMEDICA, INC. which is seeking to develop FDA-approved drugs and herbal remedies. The magnitude of the potential filed was underlined by YONGZHENG HUI, vice minister of the CHINESES MINISTRY OF SCIENCE AND TECHNOLOgy. In a press conference he noted that 12,000 plant and herb species that have been used in China could be useful drugs. UPMC has other CAM involvements, including a project looking at gingko biloba for memory headed by STEVEN DEKOSKY. Based on an article by Ellen Marzo in the Pittsburg Post-Gazette, January 19, 2000.

B. COLUMBIA UNIVERSITY/NCI GRANT TO STUDY GONZALEZ’ CANCER TREATMENT

The metabolic therapies of CAM-cancer pioneer NICHOLAS GONZALEZ, MD, will be researched with an NIH NCCAM $1.4 million grant. The five year study will consider treatment in at least 90 pancreatic cancer patients on Gonzalez’ regime which includes huge doses of vitamins and enzymes. CONGRESSMAN DAN BURTON (R-Ind.) was instrumental in bringing Gonzalez together with NCI director RICHARD KLAUSNER 18 months ago. The work will be done in association with the cancer center at COLUMBIA UNIVERSITY. Typical charges for Gonzalez’ services are $2,000 for an initial consultation and $70 to $100 for follow-ups. Enzymes, plus vitamins cost of about $6,000 to $7,500 per year. Abstracted from: “Maverick Treatments Find U.S. Funding Cancer Therapy to Be Tested Despite Mainstream Medical Doubts” by Susan Okie, Washington Post, 01/18/00. http://washingtonpost.com/wp-srv/WPlate/2000-01/18/073i-011800-idx.html.

4. WASHINGTON CAM MANDATE UPHELD BY STATE SUPREME COURT

On January 13, the WASHINGTON STATE SUPREME COURT upheld a legislative mandate passed in 1995 which required all of the states health plans to include “every category of provider.” The state’s health plans responded with a two pronged legal fight, one in federal court, turned back by the US Supreme court last year, and the administrative process case in the state. While most of the state’s plans created CAM products, INSURANCE COMMISSIONER DEBORAH SENN had moved in early 1996 against plan strategies which she viewed were too limited to respect the statute. Senn, an activist, pro-CAM consumer -- and currently a candidate for US SENATE -- was left without enforcement abilities. Key areas of non-compliance, in Senn’s view, have been the decisions by REGENCE BLUE SHIELD to not offer a CAM product in its PPO plans, of GROUP HEALTH COOPERATIVE OF PUGET SOUND to significantly limit conditions for which CAM services would be covered, and that of PREMERA BLUE CROSS to place a combined $500 lid on covered CAM services. Regence is known to have sent out
provider contracts for its PPO; steps of the other plans, including potential legislative opposition, are uncertain. While many national media and CAM industry publications have described the mandate as liberally "requiring coverage of alternative practitioners," in fact the coverage strategies have been far more limited. The key provider categories are chiropractors, massage practitioners, acupunturist. The mandate, and individual plan strategies, were explored at length in the June-July 1997 issues.

5. SPRING SUMMER CONFERENCES

The following is a list of upcoming conferences with strong integrative components or hosted by leading CAM professional organizations. Also in the January-February INTEGRATOR.

February 9-11
Five Mountain Medical Community, US AHCPR, various Hawaiian agencies. Bridging East and West; Expanding Boundaries in Health Care. 808-956-5017 or starn@hawaii.edu

February 18-20
University of Arizona and University of Minnesota Center for Spirituality and Healing, others. First Annual Pediatric Integrative Medicine Conference: Incorporating Evidence-based Complementary/Alternative Medicine into Clinical Practice.” Tucson, Arizona. 520-626-6858 or www.crc.arizona.edu

March 12-15
Harvard Medical School. Complementary and Alternative Medicine: Implications for Clinical Practice and State-of-the-Science Symposia. Boston, MA. 617-432-1525 or hms-come@hms.harvard.edu

April 16-19
National Managed Health Care Congress: CAM Track (half-day workshop plus seven sessions). Atlanta, GA. 888-882-2500

April 25-30
Alternative Therapies in Health and Medicine, co-sponsored with Five Mountain Medical Community. Creating Integrative Healthcare. Kona, Hawaii. 800-899-1712

April 28-30
American Academy of Medical Acupuncture. 12th Annual Symposium: Unveiling the Mysteries of Acupuncture. MD/DO only. Pre-conference April 27. Orlando, FL. 323-937-5514

May 4-7
American College for Advancement in Medicine. Spring Conference 2000: Medical Challenges for the Family. Dallas, Texas 800-532-3688 or www.acam.org

May 5-8
National Alliance of Acupuncture and Oriental Medicine Annual meeting, San Francisco. 253-851-6896, or www.acuall.org

May 18-20
TO BE ANNOUNCED SOON to INDUSTRY/HEALTH subscribers: Invitational Integrative Medicine Leadership Summit. Miraval Resort, Tuscson, Arizona.

June 9-11
July 17-20

August
Program in Integrative Medicine, University of Arizona School of Medicine. Associate Fellowship commences. See Business Developments, this issue. www.integrativemedicine.arizona.edu

October 28-31
Stanford University and Harvard University Medical Schools. Second Annual Conference on Practical Applications for CAM in the payment and delivery system. Kauai, HI.

6. MISCELLANEOUS

A. MARIPOSA BOTANICALS BOASTS TOP-FLIGHT ADVISORS

A recent release to THE INTEGRATOR from MARIPOSA BOTANICALS announcing the firm’s “InVite” products suggests that the firm is testing whether or not big names can make a huge difference in the competitive nutraceuticals industry. The firm is co-founded by SAMUEL BENJAMIN, MD, director of the CAM program at SUNY STONY BROOK. Benjamin and ANDREW WEIL, MD, are InVite formulators “with input from” Mariposa’s advisors which includes BRIAN BERMAN, MD, KENNETH PELLETIER, PHD, DAVID RILEY, MD, and DORIS MILTON, RN (nursing editor with “Alternative Therapies in Health and Medicine.” The firm advertises an unusually stringent testing process. Weil, Benjamin and Pelletier are all INTEGRATOR advisors. Contacts: maripobot@aol.com, or 888-521-5551.

B. ACA RELEASES CODING BOOK AND “CODING SOLUTIONS PHONE CONFERENCE”

Announced as part of an effort to “enhance the accuracy and effectiveness of chiropractic coding,” the ACA released in January an “Official ACA Chiropractic Solutions 2000” booklet. The current edition makes an attempt to be more “user friendly” to the diverse administrators and professionals who may be working with chiropractic. Included also are ACA policy statements on sometimes controversial areas such as on 97140 and the use of chiropractic manipulative therapy and Evaluation and Management (E&M) codes on the same visit. The booklet also offers template letters designed to help doctors and their staff clarify these billing scenarios with insurance carriers. To supplement the book, the ACA will offer a Coding Solutions phone conference on February 10, 2000, featuring coding expert DR. JERILYN KAIBEL, the chiropractic coding expert on the AMA’s Health Care Professionals Advisory Committee (HCPAC) of the Relative Value Update Committee (RUC) and the ACA representative to Health and Human Services’ Practicing Physicians Advisory Council. Audiocassettes of the 90-minute session will also be available. Contact the ACA’s Office of Professional Development at +1-800-986-4636.

End
INDUSTRY HEALTH News File #46, January 28, 2000

_____________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #47, February 11, 2000

REMINDER: SUMMIT INVITATION REMINDER: RESPONSES NEEDED ASAP
1. ACA TAKES POSITION AGAINST CAM AFFINITY PROGRAMS, ALMOST
2. AWH TO SHUT DOWN SOME OF ITS CLINICS
3. AMERICAN WHOLEHEALTH NETWORKS IN TWO SIGNIFICANT CONTRACTS
   A. AWHN ANNOUNCES DEAL WITH PARTNERS NATIONAL HEALTH PLANS
   B. AWHN EXPECTED TO PICK UP NATIONAL ANTHEM CONTRACT
4. HORIZON NJ BLUES/ALIGNIS ON AFFINITY PRODUCT
5. PEDIATRIC PRACTICE PATTERNS FOR HOMEOS AND NDs: RISKS?:
6. CANCER PATIENTS USING CAM: FEW TALKING TO THEIR MDS
7. UNIVERSITY HEALTHCARE CONSORTIUM LOOKS AT CAM
8. RESOURCES: CHIROPRACTIC, CREATING AN HERBAL APOTHECARY

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

***** SUMMIT INVITATION REMINDER: RESPONSES NEEDED ASAP *****

We sent you a special e-invitation to an INTEGRATIVE MEDICINE INDUSTRY LEADERSHIP SUMMIT last week. As a CAM industry leader and an INDUSTRY/HEALTH subscriber, you were the first to be invited. Please let us know your decision so we can make our decisions about to whom to also extend an invitation to this invitational meeting. We hope you can make it -- and guarantee that you'll find valuable for business, body and soul. Please let us know if you need another e-invitation. I'm happy to answer any questions you may have about the event.

This NewsFile #47 gives ample evidence of WHY WE NEED THE SUMMIT. The ACA is formally amounting a challenge to the affinity product, the leading business model in managed care, even as three reports show expansion of affinity products into new HMOs. Meantime, the most visible of venture-backed CAM businesses, American WholeHealth, is reportedly shutting down some clinics. Amidst these struggles, two studies show cancer patients show use of CAM to a gain to be both high and poorly integrated into conventional services. It's time we put our heads together! -- John Weeks, Publisher-Editor

1. ACA TAKES POSITION AGAINST CAM AFFINITY PROGRAMS, ALMOST

Provider-led concerns about the spread of non-covered, affinity products has led to a formal position, in late January, by the board of governors of the AMERICAN CHIROPRACTIC ASSOCIATION. The position all but opposes the products -- without saying it in so many words. The board put the action in context by: reaffirming the ACA’s 1975 Policy Statement on Insurance Contract Exclusions and Insurance Equality (ACA House of Delegates, June 1975) which “promotes inclusion of chiropractic in all public and private benefit plans.” Since that time, chiropractors have made significant headway in gaining coverage. The statement then notes the vast expansion of “CAM” program, particularly the non-covered discount variety which defined HMO activity in 1999. The governors positioned these non-covered discount program as representative type of “a contractual exclusions and other efforts aimed at omitting chiropractic from insurance and benefit plan coverage.” As such, the discounts are viewed not as a step toward greater recognition, as is asserted by many payers, but as “moving chiropractic away from mainstream insurance.” The governors conclude with this comment: “It is the view of the ACA, that affinity programs that claim to offer additional covered benefits, when in fact the insured and the doctor assume all financial risk, mislead the public.” www.ACA.org
2. AWH TO SHUT DOWN SOME OF ITS CLINICS

Shortly before e-mailing this NewsFile THE INTEGRATOR was able to confirm industry sources which state that AMERICAN WHOLE HEALTH plans to shut down between three and six of its 11 clinics. Rumors have circulated for years that many of the clinics were deeply troubled financially and the cause of a significant “run rate” on capital of integrative medicine’s most visible venture-based business. Other clinics are reportedly performing well. The move is expected to be part of a broader reorganization of the three-legged CAM venture -- clinics, network, Internet (WholeHealthMD.com). The internet move is increasingly viewed as the engine of the organization. Some sources anticipate an IPO before the year is out. THE INTEGRATOR will follow-up with more information in the next Newsfile.

3. AMERICAN WHOLEHEALTH NETWORKS IN TWO SIGNIFICANT CONTRACTS

A. AWHN ANNOUNCES DEAL WITH PARTNERS NATIONAL HEALTH PLANS

Calling itself “the nation’s largest health care network of CAM providers, Hartland, Wisconsin-based AMERICAN WHOLEHEALTH NETWORKS announced on February 2 a new CAM benefit the firm will managed for the 400,000 members of Winston-Salem-based PARTNERS NATIONAL HEALTH PLANS of North Carolina. All members will have access to discounts through AWH’s “Natural Choice” program. Bolstering the benefit is management of a covered chiropractic benefit. Announcing for Partners was MARK SELNA, MD, medical director: "We think our members deserve choice and quality. Many are already using these therapies. We want to give our members the tools and knowledge they need to take responsibility for their own health and be an active partner in their care.” Selna stresses that “the goal is not to replace the family doctor.” The release stresses member access to AWH’s website, WholeHealthMD.com.

B. AWHN EXPECTED TO PICK UP NATIONAL ANTHEM CONTRACT

Industry sources state that AWH is about to pick up a contract with ANTHEM HEALTH PLANS, a network of Blues plan in over a half-dozen states. Nearly two years ago Anthem was close to selecting Portland, Oregon-based ALTERNARE HEALTHCARE based, in part at least, on the high profile Alternare gained in 1996 as contractor to PREMERA BLUE CROSS in Washington state, and as the leading network provider under the mandate. AWHN was the first to cut into Alternare’s Washington business, taking the GROUP HEALTH COOPERATIVE OF PUGET SOUND contract in 1997. Alternare’s subsequent low key national strategy and limited service offerings appears to have soured Anthem on the deal. Fort AWHN, the Anthem deal, like the Partners contract noted above, is expected to include managing covered chiropractic services. This should allow AWHN to participate in a revenue stream beyond the meager $0.01-$0.03 PMPM in stand alone affinity products. The contract is expected to be announced within 60 days. The Anthem and the AWHN contract with United Healthcare, also not yet formally announced, will vastly expand the network’s current base in AWHN’s geographic base of South Carolina, Virginia, Arizona, Colorado, Georgia, Iowa, Illinois, Michigan, Minnesota, Ohio, Washington and Wisconsin.

4. HORIZON NJ BLUES/ALIGNIS JOIN FOR AFFINITY PRODUCT

“Horizon Alternative Therapies” is the name HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY has given to a new discount product announced January 31. President an CEO of BCBSNJ WILLIAM J. MARINO explained the move with reference the growing role of CAM in US healthcare: "Alternative medicine is one of the fastest growing segments of the health industry today and many of our members have already embraced these therapies. We encourage our members to take advantage of these services.” The insurer will offer the product through Atlanta-based CAM network ALIGNIS. One unusual twist: Members will also get 10% off products
distributed by network providers, as well as 15-50% discount through VITAMINS.COM, Alignis’ internet partner. This affinity product is the 2.2 million member plan’s 9th distinct discount product. Contact is Fred Hillmann, 973-466-8755, or Robert Nihen, 973-466-8765, both of Horizon Blue Cross Blue Shield of New Jersey. www.horizon-bcbsnj.com >>

5. PEDIATRIC PRACTICE PATTERNS FOR HOMEOS AND NDs: RISKS?:

A recent article, "Homeopathy and Naturopathy: Practice Characteristics and Pediatric Care" reports useful data on practice patterns for homeopathic practitioners naturopathic doctors in the Massachusetts area. However, the study also appears to suffer from a bias toward focusing on potential negative outcomes of care from these providers. The study was headed by KATHI KEMPER, MD and ANNE LEE. First, the useful data. The surveyed practitioners typically saw 25-40 patients a week. 57% of the homeopaths were medical doctors. First office calls ran 60-90 minutes. The cost was typically $140-$150. Follow-up visits were scheduled every 4 to 6 weeks and typically lasted more than 30 minutes. Insurance covered less than one third of the patient visits. (Note: It is not clear whether insurers who did cover the services specifically knew that the patients were receiving homeopathic care, for instance, when billed by medical doctors. In addition, naturopathic physicians are not licensed in Massachusetts, and therefore are rarely included in any insurance coverage.) About half of the providers were found to be offering sliding scale payments. Now the potential for negative outcomes. The researchers found that "most practitioners reported that they did not actively recommend immunizations and fewer than half of the non-MD practitioners reported that they would refer a 2-week-old neonate with a fever to a medical doctor or emergency medical facility." Note that the researchers were not reporting actual harm. Other evidence of apparent bias of the researchers included the following logic: colonics have been found in some instances to cause harm, naturopathic doctors sometimes do colonics, therefore naturopathic practice could be dangerous. The researchers go on to conclude that the failure on the part of these providers to recommend immunizations or recognize potentially serious illnesses is cause for concern. For full text: http://archpedi.ama-assn.org/issues/v154n1/full/poa9145.html

6. CANCER PATIENTS USING CAM: FEW TALKING TO THEIR MDS

A. A study in the February 1, 2000 issue of journal CANCER (2000;88:615-619) reports that 37% of patients undergoing radiation were using CAM. As is common in such studies, a majority of physicians are not aware their patients are using complementary therapies. In an interesting twist, the treating oncologists were surveyed and they believed that just 4% of their patients used CAM., called a “gross underestimation” by GARY KAO, an assistant professor in the department of radiation oncology at UNIVERSITY OF PENNSYVANNIA HOSPITAL in Philadelphia. Kao headed up the study. Also in line with other findings on CAM consumers is that users among the 50 surveyed patients were typically better educated than the average. Top modalities among CAM users was herbal remedies (60%). "Old-time remedies" were favored by 47%, high dose of vitamins (41%), 18% used both chiropractic/massage therapy and relaxation techniques, and special diets (12%). Source: Medical Tribune, February 1, 2000.

B. Data from an ongoing, five-year study from the UNIVERSITY OF CALIFORNIA SAN FRANCISCO shows that women cancer patients are also keeping quiet on alternative medical treatments. While nearly 70% of women with breast cancer seek some form of alternative, only a third tell their physicians. The disincentives to speaking with physicians were identified as anticipated disinterest, anticipated negative response and a belief that the physician didn’t know. On the other hand, CAM providers were routinely told of biomedical treatments. Information from an American Hospital Association report. Source: American Hospital Association

7. UNIVERSITY HEALTHCARE CONSORTIUM LOOKS AT CAM
A committee of the UNIVERSITY HEALTHCARE CONSORTIUM, a group which represents the university hospitals affiliated with the medical schools in the United States, has begun exploring CAM activity affiliated with its member institutions. According to SAM BENJAMIN, MD, a consultant to the process and an INTEGRATOR advisor, the group is benchmarking “best practices” in these facilities. Initial research will look at the programs -- all of which have clinical components -- at NY PRESBYTERIAN, UNIVERSITY OF ARIZONA, STANFORD, SUNY STONY BROOK and UNIVERSITY OF MARYLAND. Topics under consideration are quality assurance, data collection, finances and etc. A report, following site visits, is expected by this spring.

8. RESOURCES: CHIROPRACTIC, CREATING AN HERBAL APOTHECARY

A. EXCEPTIONAL TEXT ON CHIROPRACTIC A forward by WAYNE JONAS, MD, former director of the NIH OFFICE OF ALTERNATIVE MEDICINE recounts the medical mainstream's recent journey toward acceptance of chiropractic as a way of celebrating THE CHIROPRACTIC PROFESSION, a very useful recourse by DAVID CHAPMAN-SMITH. Readers of THE INTEGRATOR will know that we have yet a long way to go. One example is the resistance to chiropractors in health system based integrative clinics, despite the research base, the consumer interest which purportedly is driving the integration exploration, and the value chiropractic revenues can have for clinic bottom lines. "Deep prejudice is hard to change," write Jonas. This book is an excellent tool for creating such change, regarding both chiropractic and the broader CAM arena. The author directly engages the role of prejudice and bias in more than one place, offering guidance on how to read differing sources. He warns the reader to be somewhat wary of the fact that the book was funded through a grant from NCMIC GROUP, the firm which provides malpractice insurance for over 50% of the nation’s chiropractors, and that he has been associated with the profession for years. (Chapman’s newsletter can be viewed at www.chiropracticreport.com.) This is a good text for opening thinking. For copies: 877-291-7312.


End
INDUSTRY/HEALTH News File #47, February 11, 2000

INDUSTRY/HEALTH SUBSCRIBER

News File #47, February 4, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. 1999 MERCER DATA: JUMP IN CAM OFFERINGS BY EMPLOYERS
2. SUGGESTIVE CONSUMER DATA ON CAM VS CONVENTIONAL CARE
3. INTERNET: DRKOOP/AWHMD.COM IN MAJOR DEAL, WELLCALL STRENGTHENS SITE
   A. WHOOLEHEALTHMD FORMS TWO YEAR CAM ALLIANCE WITH DRKOOP.COM
   B. WELLCALL ANNOUNCES EXPANDED WEB COMPONENT
4. NUTRACEUTICALS: CAUTIONARY FINDINGS, A RESPONSE, AND A MARKET GRAB
5. NETWORKS AND HMOs
6. PERSONNEL MOVES
SUMMARY

Issue #48 provides evidence that employers do appear to be awakening to CAM, and may eventually drive HMO activity toward covered services. A study funded by TRIAD provides useful consumers perspectives on the benefits of CAM which should help CAM programs make their case with such employers. However, actual benefit news continues to feature non-covered discounts. Meantime, many are beginning to wonder if the damage of discounts will move the center of the CAM integration endeavor game out of the payment system and onto the web. New web player, WholeHealthMD.com, has positioned itself at the center of one of those emerging, vertical universes, as the lead partner with drkoop.com.

SUMMIT -- MAY 18-20 PLEASE LET US KNOW YOUR PLANS The space for the Integrative Medicine Industry Leadership Summit is filling nicely. And we want to make sure any INDUSTRY/HEALTH subscribers who wish to come have a space. Please contact us ASAP if you have not yet or if you need information re-sent. Pihcp@aol.com

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1. 1999 MERCER DATA: JUMP IN CAM OFFERINGS BY EMPLOYERS

Calling the 12 month jumps in offerings of chiropractic and acupuncture significant, JANICE STANGER, CAM leader with WILLIAM MERCER AND ASSOCIATES released to THE INTEGRATOR CAM outcomes of the 1999 National Survey of Employer Sponsored Health Plans. The study asks employers their offering based on benefit type. Offerings of all kinds tended to be higher in employers with 500 or more employees. Stanger provided the following comparisons for large employers: for Chiropractic (1998/1999) -- PPO (65%/83%), POS (59%/74%), HMO (45%/60%) and Indemnity (65%/80%); for acupuncture/acupressure -- PPO (19% 1998/23% 1999), POS (14%/20%), HMO (9%/16%) and Indemnity (17%/21%); for massage -- PPO (9%/12%), POS (9%/11%), HMO (6%/9%) and Indemnity (8%7%). Stanger told THE INTEGRATOR that these data do not, unfortunately, distinguish between non-covered offerings and actual benefits. CAM questions were first asked in the 1998 survey. Surprisingly high findings in some areas led Stanger to conjecture that the data were "skewed upward." Stanger feels more comfortable with the 1999 data. However, some skewing appears to remain; notably, 19% of small employers said they cover homeopathy. PHONE

2. SUGGESTIVE CONSUMER DATA ON CAM VS CONVENTIONAL CARE

A consumer survey by SORELLI B, a national research firm, reports that CAM users perceive that they are more able to return to work more rapidly following CAM use. Just 37% of people who saw a conventional doctor reported returning to work/normal activity the next day. For those seeing massage practitioners, the number was 65%; for chiropractors, 47%. The study includes a number of additional questions and responses which provide impressionistic insight into economic issues surrounding CAM.

-- SYMPTOM REDUCTION 75% said their symptoms were reduced by chiropractic or massage therapy, as compared to just 54% for those seeing medical doctors.
-- SYMPTOM WORSENING/NO EFFECT  14% of those seeing a medical doctor thought their symptoms got worse or stayed the same. Comparative numbers were 2%, 3% and 5% for chiropractors, acupuncturists and massage therapists, respectively.

-- PERCEPTION OF POSITIVE OUTCOME  General perception of positive outcomes also placed chiropractic (93%) and massage (87%) above MDs/DOs (82%). Acupuncture lagged at 74%.

-- INCLUSION IN CORE BENEFITS  46% said chiropractic, 44% said massage and 33% said acupuncture should be in core benefits packages.

-- ADVERSE EFFECTS  Over 50% were concerned about such effects from prescription drugs. Notably, one-third of chiropractic users said the visit had diminished the need for such drugs.

The survey, funded by chiropractic management firm TRIAD HEALTHCARE, was conducted in the fall of 1999 and involved interviews with 407 individuals. For author DIANA BARTLETT: 630-858-1835.

3. INTERNET: DRKOOP/AWHMD.COM IN MAJOR DEAL, WELLCALL STRENGHTENS SITE

A. WHOLEHEALTHMD FORMS TWO YEAR CAM ALLIANCE WITH DRKOOP.COM

In the wake of news that AMERICAN WHOLE HEALTH will be closing or selling many of its clinics, the firm announced a huge strategic alliance to give it an immediate lift in the dot-com world which most observers agree is the central business direction of the venture-backed firm. WHOLEHEALTHMD.COM will become the leading services provider for a new ALTERNATIVE MEDICINE CENTER which DRKOOP.COM is set to open later this quarter. WholeHealthMD.com, which opened its portal last month, describes itself as "a leading Internet source for physician-directed information and therapies based on integrative medicine." drkoop.com plans to "co-create additional condition centers with WholeHealthMD." Among the centers will be chronic fatigue syndrome, fibromyalgia, irritable bowel syndrome, menopause and sinusitis." DONALD HACKETT, president and CEO of drkoop.com, asserts that the "method of presenting the information from WholeHealthMD will be revolutionary in that the user will always have the benefit of reviewing both the latest evidence-based and opinion-based treatments on drkoop.com, and we will always make it clear which is which." www.drkoop.com www.wholehealthmd.com

B. WELLCALL ANNOUNCES EXPANDED WEB COMPONENT

WELLCALL, the San Francisco-based wellness and CAM services firm, continues to promote its "unique ability to balance high-tech and high touch" by announcing a program through which its web services are supported by a trained health educator who provides "real time assistance."

The WellCall tools include a typical structure for purchasing discounted preventive health services (www.wellcall.com). Added to the mix is WellChat, which links the user with an internet site, WellLocate, which finds the CAM provider type requested, and WellForum, a hosted series of internet events. WellCall, which has developed a client base from the high-tech Silicon Valley, is now announcing itself as a national from. The promise, according to ARLENE SINGER, WellCall CEO and co-founder, is to give employees "a personalized preventive health and wellness plan simply by making one phone call or, now, by logging on to wellcall.com." 415-459-1449.

4. NUTRACEUTICALS: CAUTIONARY FINDINGS, A REPONSE, AND A MARKET GRAB

A. FDA ALERT ON ST. JOHN'S WORT  The FDA is cautioning doctors on serious adverse drug interaction with the popular botanical, St. John's Wort. The advisory was based on a publication in the THE LANCET which suggested that St. John's Wort could make a wide range of drugs -- from oral contraceptives to AIDS medication to cholesterol-lowering drugs -- less
effective. The belief is that St. John’s Wort makes up to 50 types move through the body more rapidly, therefore inhibiting their effectiveness. Some physicians, and the head of the AMERICAN BOTANICAL COUNCIL, MARK BLUMENTHAL, are cautioning patients to either stop using the herb if they are on prescription drugs or to make sure to notify their physicians. The FDA’s advisory is at www.fda.gov/center/drug/advisory/stjwort.htm

B. CALIFORNIA AGENCY WARNS AGAINST PRESCRIPTION DRUGS IN HERBS The CALIFORNIA DEPARTMENT OF HEALTH SERVICES has issued a warning that some herbs which are presented as only including Chinese herbal ingredients also contain the prescription drugs glyburide and phenformin, which can be used to treat diabetes. The herbal formulas are Diabetes Hypoglucose Capsules, Pearl Hypoglycemic Capsules, Tongyi Tang Diabetes Angel Pearl Hypoglycemic Capsules, Tongyi Tang Angel Hypoglycemic Capsules and Zhen Qi Capsules. The US FDA and the California agency are working to stem importation and to end the sale of the products in the country. The investigation began with reports of low blood sugar in patients using the formulas. For information: www.fda.gov/medwatch/safety/2000/cadhs1.htm.

C. HERBS ASSOCIATED WITH RENAL DISEASE A February 11 Reuters article described reports from independent groups, published in the February issue of the AMERICAN JOURNAL OF KIDNEY DISEASES, which suggest that the use of some herbal remedies may be associated with development of renal disease. Evaluation of the quality of the evidence is beyond the purvey of THE INTEGRATOR. [Bottom line is, next time you hear a CAM advocate say CAM is “without adverse effects,” slap them. – JW] Am J Kidney Dis 2000;35:310-318,330-331.

D. In the wake of the scare about adverse effects of St. John’s Wort, Portland, Oregon-based INTEGRATIVE MEDICAL ARTS (IMA) announced the establishment of www.InteractionReport.org as an “Internet-based resource for reporting interactions and adverse reactions involving herbs and nutritional supplements.” The efforts is portrayed in the release as a consortium. IMA founder MITCHELL STARGROVE, LAc, ND, told THE INTEGRATOR that members of the consortium would be publicly announced in March. The site will feature an interactions report form, a resource guide, a form for submitting questions on interactions and related concerns, and archives of responses to previous questions. The response on St. John’s Wort concludes: “Thus, the overall safety profile of St. John’s Wort (SJW) remains excellent, and clinical reports of interactions will only enhance the safety of the SJW preparations when used appropriately.” For information, contact Aaron Young, CEO or Stargrove, at Interactions@IBISmedical.com, 503.526.1972 - www.IBISmedical.com

E. TYLENOL MAKER GOES AFTER GLUCOSAMINE MARKET The makers of Tylenol, MCNEIL CONSUMER HEALTHCARE, announced on February 15 that is would introduce a new glucosamine product, Aflexa, in the state of Florida. The firm explained that it is “seeing more and more evidence that joint health can benefit from the use of glucosamine. The release references 13 published clinical studies involving over 2,000 people which suggest that glucosamine is a building block of healthy cartilage and may play a role in the production of synovial fluid necessary for joint lubrication. It is interesting to note that the product announcement also included reference to the first broad population study, through the NIH NCCAM, which has just gotten underway. In language which reflects health system thinking about integrative clinics, McNeil’s executive director of the Tylenol Franchise states: “Aflexa is a natural product fit for us. In recent years, use of dietary supplements has become a significant part of self-care. Now consumers can select a glucosamine supplement from a company they know and trust.” The statement made it clear that the product would not contain acetonemephin but would be found on store shelves in the analgesics section next to Tylenol.” The Florida initiation is prior to a national rollout.

5. NETWORKS AND HMOS
A. BLUE CROSS AND BLUE SHIELD OF SOUTH CAROLINA (BCBSSC) announced on February 17 that the firm is expanding its affinity program. The product is offered through various affiliates of AMERICAN SPECIALTY HEALTH PLANS NETWORKS (ASHP/N). Websites of Blue Cross and PAI (www.SouthCarolinaBlues.com), Companion HealthCare (www.CompanionHealthCare.com) and HMO Blue (www.SCHMOBlue.com) are linked through the “Natural Blue” page on the Web sites into ASHP’s www.Healthyroads.com through which ASHP offers various CAM products and services. Unusual features include a promise from ASHP that the firm “conducts third-party testing of the (natural) products offered in order to maintain quality control.” And in an effort to drive people to the site, ASHN is sending a free gift to the first 5,000 members who sign up for ASHN’s free electronic newsletter. ASHN’s gift packet includes a choice of vitamin supplements, a fitness video, a healthcare book or a body care product.

B. CHIROSOURCE NETS DEAL WITH PHYSICIANS HEALTH OF ARIZONA Clayton, California-based CHIROSOURCE, which claims the largest chiropractic network in Arizona, has inked a deal with PHYSICIANS HEALTH OF ARIZONA (PHA) to provide both general health benefits services and workers compensation. PHA’s clients include MARRIOT employees and MARICOPA COUNTY government employees for industrial injury. 925-672-5333.

C. ALIGNIS NAMED TAPPED FOR UR BY GROUP HEALTH INCORPORATED Atlanta-based ALIGNIS has been selected by GROUP HEALTH INFORMED to perform utilization review on chiropractic services. Alignis views the move as solidifying the network’s presence in the Northeast. GHI is the largest not-for-profit health services corporation operating statewide in New York, serving more than 3 million people various health plans and TPA services. For GHA: (212) 615-0098; for Alignis: (404) 848-0944 extension 228.

D. LANDMARK CEO MARLA ORTH is not presently in charge of day to day operations of Sacramento, California-based CAM network LANDMARK HEALTHCARE. Sources differ on whether the extent to which the shift is due to medical reasons or in response to significant Landmark losses in the past year, at well over seven figures.

E. DISCOUNT PROGRAM LINKED AN ADD-ON TO A MASTER CARD In a new sign of the use of CAM as a marketing bell-and-whistle, HEALTHCOVE.COM has linked with a bank to offer a free year of discounted access to CAM and various conventional medical services as a benefit to users. Dr. Stephen Uslan CEO, 800/796-5558, www.HealthCove.com

6. PERSONNEL MOVES

A. ASTIN TAKES POSITION WITH BERMAN’S MARYLAND GROUP JOHN ASTIN, PHD, whose study of CAM users (published in JAMA, May 1998) is one of the most frequently sited CAM studies, has left his position at STANFORD UNIVERSITY to become Assistant Professor in the Department of Family Medicine at the UNIVERSITY OF MARYLAND SCHOOL OF MEDICINE in Baltimore. Astin will be working with BRIAN BERMAN, MD, and his group in the COMPLEMENTARY MEDICINE PROGRAM. He’ll continue with a range of research projects, including 410.448.6890

B. LEAVER IN NEW WHOLEHEALTHMD.COM POSITION A former executive with two of the nation’s leading CAM networks, ASHP and AWHN, ERIC LEAVER has a new position as director of institutional sales with the dot-com firm with which AWHN is affiliated, WHOLEHEALTHMD.COM. Leaver will continue to be based in Southern California.

C. WOODS IN DIRECTOR ROLE WITH SENCHI.COM The pro-CAM CEO of Mountlake Terrace-based PREMERA BLUE CROSS, BETTY WOODS, has taken a position as a director of e-commerce CAM start-up SENCHI.COM. Woods was formerly a board member of Bastyr. Following eight years in her position -- 60% more than the industry average -- Woods will Retire her CEO position later this year. According to materials from the firm, Senchi “is a
specifically designed Internet company focused on providing services, tools and peer networking opportunities to solo practice alternative health care providers." For Senchi: 425-564-0843.

D. ROSS BECOMES MEDICAL DIRECTOR WITH HEALTHONLINE  MICHAEL ROSS, MD, who founded an Atlanta affiliate of Boston-based COMMONWELL in 1997 before founding the failed venture start-up EVERWELL/HOLISTICOS has taken a position as medical director with HEALTHONLINE.

E. QUINN IN CONTENT ROLE WITH ALTERNATIVEDR.COM  SHEILA QUINN, who recently announced that she would be leaving full time work with the naturopathic medical profession has taken a leadership position involving direction of content development with ALTERNATIVEDR.COM. Quinn, regarded as a founder of BASTYR UNIVERSITY, which awarded her an honorary naturopathic doctor degree, was most recently executive director of the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS. Quinn will work out of her home office north of Seattle.

F. SANCHEZ IN FULLTIME ROLE WITH GAIAM.COM  ANNIE CLAUDE SANCHEZ, formerly in a leadership position with AMERICAN SPECIALITY HEALTH PLANS and a past consultant to AMERICAN WHOLEHEALTH has taken a position with internet start-up GAIAM.COM. She is serving as a strategic planner on CAM.

G. KLIGER IN FULLTIME CAM SLOT AT EVERGREEN  A former hospital and physician group administrator, and until recently CAM consultant and writer through her firm, THE LAKES GROUP, LEAH KLIGER has chosen to take a fulltime position heading up CAM for EVERGREEN HOSPITAL in Bellevue, Washington, just east of Seattle. Evergreen, funded in part by a hospital district tax, has used tax funds to support its CAM programs since shortly after the 1996 CAM insurance mandate in Washington.

End
INDUSTRY/HEALTH News File #48, February 22, 2000

____________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #49, February 28, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. NETWORKS AND HMOS: TRIAD/CORE BENEFITS; AETNA FEES; BRINKLEY
2. INTERNET: DISCOVERY/TNP; HEALTHONLINE/SENTARA; HNI/SMITHSONIAN
3. NATURAL PRODUCTS: CONSUMERLAB/ENZYMATIC; PHYSICIAN MARKET
4. DELOITTE AND TouCHE EMPLOYER TRENDS: CAM STRATEGIES
5. MEDIA: MANAGED HC/ALTLINK; MODERN MATURITY/WEIL; JAMA/DRUSS
6. RESOURCES: MOSBY/NOVEY TEXT; STANGER/EMPLOYER ARTICLES
7. CONFERENCES: SUNY NY/TRADITIONAL HEALING; DIA; SELLING HERBS

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

____________________________

News File #49 is a catch-up issue, with short reports on over a dozen developments. Among these are a number of discussion items. LOU SPORTELLI adds to the case for why chiropractic -- and other CAM services, extending his point -- should be integrated as core benefits. A DELOITTE AND TouCHE report on employer trends underlines strategies for CAM businesses
seeking to sell into that environment. Finally, a JAMA discussion on whether CAM services are alternative/complementary, or add-on/replacement, re-births a useful concept: “sequential” medicine. Sequential medicine is not quite embracing the Hippocratic concept of a therapeutic order which would define CAM use in the best of worlds, but it’s a step toward acknowledging actual consumer use, and thus in the right direction. Many consumers who use “both” use them sequentially, not as complements, but as “alternatives” to each other. Meantime, using “both” in an optimally integrative way may actually create a therapeutic regime which is a lower cost “alternative” to conventional care! As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1. NETWORKS AND HMOS: TRIAD/CORE BENEFITS; AETNA FEES; BRINKLEY

A. COST OF CARE SILOS AND CHIROPRACTIC AS CORE BENEFIT LOU SPORTELLI, DC, president of the TRIAD HEALTHCARE shared with THE INTEGRATOR an a perspective on why chiropractic should be utilized as core benefit rather than as a stand alone product. Sportelli takes a strong position with payers that the “chiropractic solo expense” is deeply misleading. In Sportelli’s view, utilization of chiropractic relative to conventional medicine must be viewed in the context of total medical costs, potentially foregone surgeries, and most appropriately, indirect costs such as time loss. Sportelli argues that this positioning is among the features which distinguish chiropractic from other benefits which are often stand alone riders such as vision or dental. In Sportelli’s view, this linkage to other costs urges inclusino of services as a core benefit.

B. AETNA’s NATURAL ALTERNATIVES AFFINITY A 1999 member booklet from AETNA US HEALTHCARE lists the rates the health plan’s CAM providers are accepting on the affinity/discount product: $30/visit for chiropractic, $30 per “acupuncture therapy visit,” $20 per ½ hour massage visit and $20 per ½ hour nutritional counseling visit. The CAM program is an affinity product for which members pay cash. Aetna’s CAM network may also be used as a CAM-benefit extender for those members for whom some CAM services are covered.

C. One sign of the movement of CAM into the mainstream was the selection of RICHARD BRINKLEY, CEO of Portland, Oregon-based COMPLEMENTARY HEALTHCARE PLANS to the board of the AMERICAN ASSOCIATION OF PREFERRED PROVIDER ORGANIZATIONS. Brinkley is the only representative from a CAM firm on the board. Brinkley is a former health plan CEO. Brinkley is among the discussants at the NMHCC CAM track in Atlanta this April.

D. New Orleans-based HEALING ARTS NETWORK (HAN), a subsidiary of AMERICAN LIFECARE, named KIMBERLY MODLEY as marketing manager. HAN, a discount, is one of the few CAM businesses reared in the deep South.

2. INTERNET: DISCOVERY/TNP; HEALTHONLINE/SENTARA; HNI/SNITHSONIAN

A. DISCOVERYHEALTH.COM, a division of DISCOVERY HEALTH MEDIA, has selected THENATURALPHARMACIST.COM (www.tnp.com) as a licensed content supplier on alternative and natural products at the firm’s site. Discovery health media sponsors the Discovery Channel.

B. HEALTHNOTES DATABASE IN SMITHSONIAN COLLECTION The database on natural products developed by Portland, Oregon-based HEALTHNOTES will become part of the Permanent Research Collection on Information Technology at the Smithsonian's National Museum of American History. The inclusion follows a nomination the firm’s product received for the Computerworld Smithsonian Award. The product is one of 440 from 38 states and 212 countries in this year’s group. Stated SPENCER CREW, director of the NATIONAL MUSEUM
3. NATURAL PRODUCTS: CONSUMERLAB/ENZYMATIC; PHYSICIAN MARKET

A. One strategy for ensuring quality in products is that engaged by White Plans, New York-based CONSUMERLAB.COM. The firm analyzes products from diverse manufacturers, posting general information on their website, and making more detailed reports available for a significant fee. The firm also has a program through which natural products firms can have a ConsumerLab.com Seal of Approved Quality on its labels. Wisconsin-based ENZYMATIC THERAPY is the first to gain approval from ConsumerLab.com, for its Gingko Biloba 24% extract.

B. An article in NATURAL BUSINESS (January 2000, page 9) includes useful perspectives on the growing practice of physicians selling vitamins, minerals and supplements. THOMAS VORPAHL, a senior director with NU SKIN subsidiary PHARMANEX notes that his firm anticipates the firm’s provider division could become a $1.2 billion company. AMA action targeting potential conflict of interests by physicians is downplayed by an industry consultant. The consultant anticipates that 20% of the nation’s 750,000 physicians might eventually sell product in their offices. Vorpahl notes that Pharmax offers physicians “distribution structures” which avoid the AMA’s concerns over “excess profit.”

4. DELOITTE AND TOUCHE EMPLOYER TRENDS: CAM STRATEGIES

The 1999 “Employer Survey on Managed Care” conducted by the HUMAN CAPITAL ADVISORY SERVICES of DELOITTE & TOUCHE and BUSINESS AND HEALTH magazine found a number of trends which may be useful to CAM program developers. The main reference to CAM in the release is that “alternative medicines and treatments are also beginning to gain broader acceptance.” The authors notes that “employers and health care plans more open to non-traditional forms of care.” Nearly all (95 percent) of employers currently offer chiropractic treatment and 29 percent offer acupuncture. The following integration strategies were not specifically referenced in the report but can be supported by the report’s findings.

A. DRUG COSTS/NATURAL PRODUCTS Natural products substitution strategies may meet favorable ears based on the desire of employers to control soaring DRUG COSTS. Drugs costs per employee were placed at $415/year.

B. DISEASE MANAGEMENT OUTSOURCING More than half (56 percent) of employers are targeting chronic illnesses or diseases for management, with the most commonly targeted conditions diabetes, high-risk pregnancy, heart disease, asthma, and cancer. There is an increased trend toward outsourcing, which could support contracting with a quality CAM program.

C. EMPLOYEE INVOLVEMENT/DEFINED CONTRIBUTIONS Over 60% of employers believe that employees will be more heavily involved in their own health care in the future. One method of involvement may be through establishing a voucher type system. Xerox is reportedly considering such a “defined contribution” versus “defined benefit” approach and the survey leaders believe that more of this “may not be far away.”

D. PURCHASING COALITIONS The expanding interest in, and participation in, purchasing coalitions, for drug benefits as well as other health benefits, suggests that these organizations may become key targets for alliance and partnership.
BARBARA ADACHI, a principal with the firm was the survey director. Complete copies are available for $50.00 by calling 888/361-9960

5. MEDIA: MANAGED HC/ALTLINK; MODERN MATURITY/WEIL; JAMA/DRUSS

A. The February 2000 issue of MANAGED HEALTHCARE includes a three page feature, with photo, of ALTERNATIVE LINK, the New Mexico-based firm which owns a patent on a CAM coding system. The article positions the coding product as a key administrative and legal compliance issues, relative to CAM. Maine-based CAM consultant JAN THORPE, executive director of ALTERNATIVE HEALTHCARE SYSTEMS OF MAINE states: “We will never integrate CAM nationally until we can validate and process claims nationally.” www.alternativelink.com

B. The January-February issue of MODERN MATURITY, the magazine published by AARP, features a lengthy interview with ANDREW WEIL, MD. Weil promotes the development of what he calls “Human Centers -- a clinic/spa hybrid, under the direction of retrained integrative MDs with a variety of other practitioners on staff.” The consumer “would for a few days or a week for lifestyle analysis, preventive counseling or adjustment. You could learn how to shop for a prepare food, how to relax, how to exercise, remedies to use, maybe how to garden.” Weil’s next book is on aging.

C. SEQUENTIAL HEALTH CARE The January 5, 2000 edition of JAMA includes a discussion on the YALE study of consumer use (DRUSS, et al, JAMA. 1999:282:651-656). The Yale study concluded that CAM users might best be viewed as “over-utilizers,” and that the vast majority of users were high users of conventional services. One letter writer, DAVID KATZ, MD, MPH, suggests that understanding use requires looking at whether use is “sequential medicine.” Katz describes this as “use by patients whose conditions are least responsive to whatever care they sought first.” Katz points out, rightly, that the Druss thesis is a red flag to third party payers (CAM as an add-on), where as “sequential” only suggests a distinction between “overusers from those seeking, but not knowing where to find, satisfaction.” Druss agreed, in a response letter, that Katz’ perspectives may be valuable. JAMA 2000. 283:56-57

6. RESOURCES: MOSBY/NOVEY TEXT; STANGER/EMPLOYER ARTICLES

A. ADVOCATE HEALTH CARE PHYSICIAN: RESOURCE ON INTEGRATIVE CARE Mosby just released an 850 page edited volume headed by DONALD NOVEY, MD, the lead physician with the integrative clinic sponsored by ADVOCATE HEALTHCARE in Chicago. The clinic, Center for Complementary Medicine, Lutheran General Hospital, Park Ridge, is among those in THE INTEGRATOR Integrative Clinic Benchmarking Survey. The clinically oriented text has over 90 contributors. Mosby Publishers at +1-800-325-4177.

B. Two articles co-authored by JANICE STANGER, CAM leader with WILLIAM MERCER & ASSOCIATES have recently appeared in the compensation industry periodicals. The Winter 2000 issue of COMPENSATION AND BENEFITS MANAGEMENT (CBM) includes a piece entitled “Complementary and Alternative Medicine: What Employers Need to Know.” The first quarter 2000 journal of the AMERICAN COMPENSATION ASSOCIATION includes a favorably cast article: “CAM: A Win/Win Addition to Employee Benefits.” The articles include little that will be new to INTEGRATOR readers, except a section on tax and compliance in the later article. Also useful is Stanger’s commentary. The “diverse therapies” of CAM are presented as “generally inexpensive relative to conventional medicine.” She concludes with “there are several incentives for health plans and employers to move aggressively toward expanding CAM benefit coverage.” She references growing consumer demand, potential for increased patient self-management, lower general cost, potential value in “disease state management” and the adverse pressure to explore alternatives due to rising pharmaceutical costs. In the CBM article, Stanger concludes with: “For a few years, the key to holding the line on health care costs appeared to be
offering managed care plans and enrolling most employees in managed care option. Now the effectiveness of that strategy in controlling cost is rapidly eroding. Can CAM provide the key to the next generation of health cost control strategies?” Stanger, who is among the discussants at the INTEGATIVE MEDICINE INDUSTRY LEADERSHIP SUMMIT states: “The next few years will demonstrate how CAM can take advantage of the opportunities for acceptance and overcome the challenges facing that acceptance.”

7. CONFERENCES: SUNY NY/TRADITIONAL HEALING; DIA; SELLING HERBS

A. The schools of Nursing, Health Technology and Management and Social Welfare, together with the CENTER FOR CAM AT SUNY STONY BROOK are offering an unusual conference entitled “CAM: Special Focus on Ancestral Practices, Spirituality and Energy Healing. The program is looking for sponsors ($1500 and below). Among the presenters are DAVID EISENBERG, MD, Assistant Surgeon General MARILYN GASTON, MD, and SAM BENJAMIN, MD, who directs the CAM program at Stony Brook. June 10-13, 2000. Betty Jean Wrase: 631-444-3161, or bjwrase@ssw.hsc.sunysb.edu.

B. Third American QIGONG ASSOCIATION CONFERENCE will be held at the Omni Shoreham in Washington, DC. April 21-23. Two tracks focus on integration of Qigong programs into mainstream systems. www.eastwestqi.com

C. The DRUG INFORMATION ASSOCIATION is continuing its track on CAM at its 36th annual meeting to be held in San Diego on June 11-15, 2000. Entitled “Emerging and Re-Emerging Therapeutics,” the 12 session track focuses largely on botanicals. FLOYD LEADERS, PhD, of THE LEADERS GROUP is the track chair. $750 for non-members. 215-641-1229

D. APOTHECARY DEVELOPMENT BOOK BACKED BY SEMINARS Seven day-long ($355) seminars featuring LEAH KLIGER, MHA, CH, will be offered by HEALTH CARE COMMUNICATIONS in diverse locations around the US this spring. Kliger is a former hospital administrator who has an interest in herbalism and has helped mainstream organizations develop natural products stores. Her 110 page book, “Creating and Herbal Apothecary: An Implementation Guide,” is the basis of the training. The book is available for $195. 914-967-6741.

End
INDUSTRY/HEALTH News File #49, February 28, 2000

__________________________

INDUSTRY/HEALTH SUBSCRIBER

News File #50, March 6, 2000

A Service for the INDUSTRY/HEALTH Subscriber

***** EARLY NOTICE: NMHCC I/H BREAKFAST AND EVENING RECEPTION: APRIL 17 *****

1. NFAM CONSIDERS INSURANCE CAMPAIGN
2. HEALTH SYSTEMS ACTION: FAIRVIEW, U COLORADO, DEACONESS, PLANETREE
3. EARLY CHERKIN DATA ON NATUROPATHIC PRACTICE
4. WASHINGTON CLINICIAN WORKGROUP REPORT RELEASED BY OIC
5. CALIFORNIA REGULATORS WITHHOLD APPROVAL OF HMO ACU BENEFITS
6. NETWORKS/HMOS: CAN, ASHP/PACIFICARE, NAFCN, WELLPOINT/AWHN
GET THESE NMHCC EVENTS IN YOUR CALENDAR! For those of you attending the NMHCC in Atlanta (April 16-19), please make a note that the INTEGRATOR with sponsor the 3<sup>rd</sup> INDUSTRY/HEALTH BREAKFAST on Monday morning, April 17. That evening, THE INTEGRATOR is also organizing a CAM INDUSTRY RECEPTION (and is presently lining up co-sponsors). More information to follow. Please block out these times in your calendars. If you are interested in co-sponsorship of the reception ($500-$750), please contact me or Charlie Priester (isnh@quidnunc.net). Co-sponsors at the NMHCC last fall included ALIGNIS, ACN, TRIAD, ASHP, AWHN, ALTERNATIVE LINK and INTEGRATIVE MEDICINE COMMUNICATIONS. Note that you need not be attending NMHCC to come to these events.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor

1. NFAM CONSIDERS INSURANCE ROLE

The NATIONAL FOUNDATION FOR ALTERNATIVE MEDICINE (NFAM) is considering a campaign to “introduce health care insurance companies and their policy holders to the advantages of alternative medical treatments” as a core part of the foundation's mission. Washington, D.C.-based NFAM was founded by the former Iowa Congressman, mentor of US SENATOR TOM HARKIN, and the spirit behind the founding of what is now the NIH NCCAM, BERKELEY BEDELL. Bedell’s NFAM has taken an activist role in examining health outcomes of CAM interventions. Early NFAM initiatives have used a case sequence approach to examine and report outcomes from the whole person approaches of cancer clinics abroad which have been highly regarded in the CAM community but little considered by mainstream scientific approaches. The focus of the NFAM, to date, has been on CAM in the treatment of cancer and other high cost conditions. Bedell is a survivor of both cancer and Lyme’s disease who credits CAM for assisting in his recovery. Diverse sources note that Bedell has become impatient with the NIH NCCAM’s approach. INTEGRATOR publisher-editor JOHN WEEKS recently joined an NFAM advisory board to assist the organization in thinking about ways to most appropriately apply resources to answering core questions in health system integration. NFAM’s vice president and chief operations officer is TIMOTHY FORBESS, a doctor of divinity. The foundation is presently funded largely through Bedell’s significant family wealth but other sources are under exploration. For NFAM: 202-429-6633

2. HEALTH SYSTEMS ACTION: FAIRVIEW, U COLORADO, DEACONESS, PLANETREE

A. FAIRVIEW HEALTH SERVICES, GROCER IN CAM WELLNESS CENTER Minneapolis-based FAIRVIEW HEALTH SERVICES has joint-ventured with LUND FOOD HOLDING, parent of LUNDS AND BYERLY’S, in a partnership which is to “bring grocery and health care leaders in a wellness focus that helps to support the relationship between health, nutrition and mind-body.” The late 1999 release notes that Fairview will support Lund’s Living Wise “whole-health program.” Lunds Uptown will includes a Fairview clinic on the second floor which offers annual exams, chiropractic, acupuncture and nutrition education. A local juice bar is also participating in the center. Other features in the compound include sales of natural products. The centers will utilize “community advisory councils” in each area where a center has been located in one of the 18 Lunds or Byerly’s stores, according to DAVID PAGE, Fairview’s CEO.

B. The UNIVERSITY OF COLORADO SCHOOL OF MEDICINE is developing a strategy for CAM integration through its primary care clinics, according to a source close the that activity. The
integration conversation has been underway for many month but has been "deadlocked," but strongly backed by some younger medical doctors. WILLIAM SCHATZ, MPH, an administrator with the primary care clinics, is heading up planning.

C. In southern Indiana, MARY BETH DAVIS, CAM leader with DEACONESS HEALTHCARE, is in the midst of an ongoing effort to vastly increase the role of CAM therapies throughout the system’s delivery. CAM treatments are being integrated into pain management programs associated with the system’s cancer center in a section that totals nearly 1800 square feet. Exploration is also underway into similar strategies for hospice, home-health and Deaconess’ mental health facility. Another significant project is a formal partnership the leading integrative center in the region, a clinic founded by a local chiropractor. The clinic, in an eastern section of Evansville, is a targeted area for expansion for Deaconess’ network of primary care clinics. The clinic’s founder created a multi-practitioner group which already included a medical doctor, chiropractors, physical therapists, a psychologist and massage therapists. A Deaconess family practice physician, GREG TOOTHMAN, MD, began performing acupuncture and other CAM services at the facility last year. Toothman completed the UCLA acupuncture training for physicians, through support from Deaconess.

D. The PLANETREE organization now boasts 20 affiliate hospitals, according to its website. The organization, founded in 1985 and widely saluted for its efforts to humanize the hospital experience, was purchased by Derby, Connecticut-based GRIFFIN HEALTH SERVICES CORPORATION. www.planetree.org

3. EARLY CHERKIN DATA ON NATUROPATHIC PRACTICE

DAN CHERKIN, PhD, a researcher with GROUP HEALTH COOPERATIVE OF PUGET SOUND, has shared with member of the WASHINGTON ASSOCIATION OF NATUROPATHIC PHYSICIANS early data from his practice survey of naturopathic physician practices. Among the findings:

**REFERRAL** 79% of patients are self/friend referred; 6% are MD referred; 1% chiropractor referred and 14% "other.

**REASON FOR VISIT** No single condition stood out for these general practitioners of natural medicine. Among those noted most often are anxiety, back/neck pain, depression, fatigue, allergies, headaches.

**MOST COMMON THERAPEUTICS** Naturopathic physicians have an broad array of natural therapies in their scope of practice. Those most used were: botanical medicines (38%), vitamin therapy (37%), minerals (31%), therapeutic diet (29%), self education (23%), homeopathy (21%) and “other” (10%).

Cherkin’s study of the naturopathic, acupuncture and massage professions is bi-coastal and is expected to provide the best picture available of these professions once published. Lead naturopathic physicians on the project are CARLO CALABRESE, ND, MPH, BRUCE MILLIMAN, ND, and LEANNA STANDISH, PhD, ND.

4. WASHINGTON CLINICIAN WORKGROUP REPORT RELEASED BY OIC

The WASHINGTON STATE OFFICE OF THE INSURANCE COMMISSIONER (OIC) has released a report on the three years of the CLINICIAN WORKGROUP ON THE INTEGRATION OF CAM (CWIC). CWIC was a unique undertaking, comprising medical directors of the state’s leading health plans, delivery systems, CAM networks and representatives of the state’s licensed CAM professions. Started by the OIC in 1997, the group’s activities were funded in the last two years through sliding scale, annual contributions which ranged from $3000 (plans), $2000 (networks and physician groups) to $1000 (CAM professions). The highly interactive series of explorations included roughly 70 individuals are various times, with generally 25-35 in any one of the dozen four hour, facilitated sessions. The document, the writing of which was headed up by
LORI BIELINSKI, LM, in the OIC, may be of use to individuals outside of Washington for numerous reasons. The first is the modeling of interactivity and the description of the workshops, a 20 page section. All participants view the process as extremely valuable in gaining mutual respect and understanding. The appendices may be particularly useful. One chart describes the various interests of the parties in “cross-fertilization” -- desire to observer or be observed by members of other professions as a means of breaking down boundaries. Another chart is an overview of standard setting by the CAM professions as of early in 1998. A handful of the integrative clinics in the area are profiled. Finally, Draft Seed Algorithms developed by representatives of each of the six CAM professions (chiropractic, naturopathy, acupuncture, nutrition/dietetics, midwifery and massage) are included. (Note that dietitians, while not generally considered “CAM,” found that their perceived under-utilization aligned readily with the challenges of the more typical CAM professions.) The CWIC agenda, which was developed from within by a multidisciplinary planning team, gave significant attention to the need to develop working guidelines for use of CAM services. While CWIC is not expected to continue, members are presently considering a variety of follow-up activities. Bielinski will present on CWIC outcomes at the NMHCC meeting in April. This process was co-facilitated by INTEGRATOR publisher-editor JOHN WEEKS during the group’s first 1.5 years. For copies of the report, contact Bielinski at 360-586-0706.

5. CALIFORNIA REGULATORS WITHHOLD APPROVAL OF HMO ACU BENEFITS

CALIFORNIA DEPARTMENT OF MANAGED CARE (the regulatory agency formerly known as DOC) has yet to approve an acupuncture benefit by one of the state’s large HMOs. Despite applications in late 1997 and early 1998, proposals by HEALTHNET and UNITED HEALTHCARE are still without sanction. A third HMO, HEALTHPLAN OF THE REDWOODS, has also made application, as has specialty network CONSENSUS HEALTHCARE. Presently the only entities authorized to offer acupuncture are specialty plans LANDMARK HEALTHCARE and AMERICAN SPECIALTY HEALTH PLANS, and a relatively small Bay Area plan, LIFEGUARD, which offers the benefit through Landmark. Some observers contacted by THE INTEGRATOR argue that DOMC’s slow process due to pressure from established medicine. One put it this way: “They want to be ultra careful to make sure its perfect since there is so much political pressure from the medical establishment.” A source within DOMC who wished not to be quoted counters that HealthNet’s application was “sitting with HealthNet and ASHP (it’s carve-out network) for eight months.” What is clear is that the entrance of DOMC (then known as the Department of Corporations) into regulating acupuncture was rocky. The regulatory agency took an initial position that if a plan were to cover acupuncture, that it would also have to cover traditional Chinese medicines (TCM). This was, for a time, the nation’s only natural products mandate. Pressures from plans, and portions of the acupuncture community which place less emphasis on herbs, led DOC to back off from this stance. Happily for the plans, the regulator expressed some desire to “move these application off my desk.” A HealthNet source says the plan is “hopeful” of receiving approval soon, and that, for the time being, “we have a discount program in shape.” For observers of the national scene DOMC’s slowness to move means that the state with the most aggressive activity toward covered benefits in a non-mandated environment has been significantly slower in getting off the ground than anticipated. Given typical industry processes, outcomes data are unlikely to be available, for instance, until at least 2003 or 2004.

6. NETWORKS/HMOS: CAN, ASHP/PACIFICARE, NAFCN, WELLPOINT/AWHN

A. A late 1999 memo from AMERICAN CHIROPRACTIC NETWORK announced the firm’s plans to expand services to include a discount product involving chiropractors, naturopathic physicians, massage therapists, acupuncturists and dietitians/nutritionists. GARY LEDUC, director, network development. ACN claims a network of 7,000 providers and “management of services” for over 5 million members. 888-226-6216
B. PACIFICARE OF WASHINGTON has contracted with AMERICAN SPECIALTY HEALTH NETWORKS to offer a CAM network which began January 2000. The benefit is the firm’s first foray into naturopathic medicine. An ASHP provider recruitment brochure announces a plan to develop a network nationally of NDs. Members would generally receive 6-20 visits a year, for co-pays ranging from $5-$20 visit. For Washington state, the firm is offering maximum fee schedule on a new patient (99205) at $113, and an established patient (99214) at $63. The rates are low end compared to Washington’s leading plans. Pacificare had formerly offered an internal network.

C. The NORTH AMERICAN FEDERATION OF CHIROPRACTIC NETWORKS is planning a meeting for June 2-4 in Chicago. The organization is attempting to represent state and regional networks amidst the increasing competition of national firms. The organizers are hoping to have 75-100 network leaders in attendance.

D. The purchase of RUSH PRUDENTIAL HEALTH PLANS OF ILLINOIS by Thousand Oaks, California-based WELLPOINT HEALTH NETWORKS will give AMERICAN WHOLEHEALTH NETWORKS a foothold in the Wellpoint organization. Rush had contracted with AWHN for discount/affinity CAM services in Illinois. AMERICAN SPECIALTY HEALTH PLANS has managed Wellpoint’s CAM in California. The Illinois business will be managed under Wellpoint’s UNICARE brand. Wellpoint has 7.3 medical members nationally in its PPO, POS, HMO, Medicare supplement and other products.

End
INDUSTRY/HEALTH News File #50, March 6, 2000

INDUSTRY/HEALTH

A Service for the INDUSTRY/HEALTH Subscriber

1. PRESIDENTIAL CAM COMMISSION ANNOUNCED
2. TWO FROM AMA: NO REQUIRED REFERRAL; HCFA ACTION ON NON-PHYSICIANS
3. ROLE OF CO-PAYMENT IN PRICING CAM BENEFITS
4. CAM/INTERNET: VITALCAST, CWC, MATRIA/AMERICAN HEALTH SCIENCES
5. HISTORIC FIRST: ND APPROVED BY IRB TO HEAD HOSPITAL RESEARCH
6. RESOURCES: GUERILLA MARKETING, HNI FOODNOTES, ACAM/INNOVISION
7. CONFERENCES: SUNY NY, ACAM, HOMEOPATHIC RESEARCH, DISEASE MGMT

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

NEWSFILE #51 begins with the announcements of potentially the most far-reaching policy move in the history of CAM integration: the White House Commission. Immediately following are two internal policy moves on CAM, by the AMA House of Delegates, which together underscore the depth of challenges we face in education, relationship building, and appropriate use of resources. The Internet begins a more formal, regular treatment in these News Files, with a group of shorts in section #4.

As always, your feedback is welcome. -- John Weeks, Publisher-Editor
1. PRESIDENTIAL CAM COMMISSION ANNOUNCED

The WHITE HOUSE has finally announced the creation of the national CAM commission, funded in the Fall of 1998. The Commission, formally entitled the ‘White House Commission on Complementary and Alternative Medicine Policy,” will eventually have 15 commissioners, appointed by the president, and an executive director, appointed by the secretary of Health and Human Services. The focus of the work will be a report “on legislative and administrative recommendations for assuring that public policy maximizes the benefits to Americans of complementary and alternative medicine.” Areas under consideration are: education and training of health care professionals; coordination of research; dissemination of information to the public and professionals; and “guidance for appropriate access to and delivery of complementary and alternative medicine.” The latter charge potentially creates a wide umbrella for exploring health system issues relative to payment and delivery. The Commission is expected to be terminated after two years.

2. TWO FROM AMA: NO REQUIRED REFERRAL; HCFA ACTION ON NON-PHYSICIANS

A. Two years ago the AMA HOUSE OF DELEGATES passed an important resolution against requiring gatekeeper referral or including CAM services in conventional risk pools. The action escaped THE INTEGRATOR at the time. The language follows: “AMA supports legislation that managed care organizations that offer alternative medicine as a covered service not require referral from a primary care physician for that service, and that the primary care physician not be held at risk financially for the costs of those provided alternative medicine services.” (AMA House of Delegates Resolution (H 285-933) entitled “Financial Liability Encountered in Referrals for Alternative Care (702, A-98)) Interestingly, this position complements that of most CAM carve-out networks, which promote direct access products under which the network assumes full risk.

B. In a December 1999 meeting, the AMA House of Delegates approved a measure “to stem the non-physician encroachment, including homeopaths, naturopaths, nurse practitioners and others.” The broader context is the Health Care Financing Administration’s recent decision to recognize certain “non-physician” providers, where licensed, at up to 85% of physician rates. The group recognized by the HCFA rule includes nurse practitioners, physical therapists and advanced practice nurses. Concern among physicians has been heightened by new evidence that nurse practitioner-delivered services proved as effective and satisfying to patients as those delivered by physicians. (Mundinger MD, et al. “Primary care outcomes in patients treated by nurse practitioners or physicians, a randomized trial.” JAMA. 2000; 283: 59-68.) The issues surrounding AMA positions, and citing the concern over CAM providers, are discussed in “Nonphysicians gain clout” by LaCrisha Butler; American Medical News, Volume 43, Number 2: 1, 26.

3. ROLE OF CO-PAYMENT IN PRICING CAM BENEFITS

One method for limiting what many HMOs perceive to be an uncertain and troubling financial risk in covering CAM services is to raise the co-payment level. Some CAM providers express support for such a model, arguing that the higher cash encounter may help maintain the patient’s commitment to the CAM therapeutic process. A CAM network executive, on the condition of anonymity, recently shared information which casts significant light on outcomes of manipulating the benefit this way. Actual experiences of member utilization relative to co-payment on a chiropractic carve-out in a direct access model, were: $5 co-payment, 7.7% utilization; $10 co-payment, 3.5 percent utilization; and $15 co-payment, 2.5% utilization. The huge fall-off suggests, first, that with a $20 co-payment, such as is required in the Upstate New York UniVERA HMO/Landmark massage-acupuncture core benefit, the plan’s financial exposure would be very slim. (This is particularly true, given the additional requirement of gatekeeper referral in that model. Gatekeeping along can shrink utilization by 75-90%.) Second, the actual, global financial
risk will be even lower since surveys are telling us that 50-65% of users of massage therapists
and acupuncturists report diminished use of conventional services, pharmaceuticals, or both.
The last, intriguing note, is that one may wonder how deeply valued are the chiropractic services
if the addition of merely $5 more to a patient’s co-payment is stops use by 55% of the members.

4. CAM/INTERNET: VITALCAST, CWC, MATRIA/AMERICAN HEALTH SCIENCES

A. Tampa, Florida-based VITALCAST.COM is recruiting CAM providers to lift their profiles onto
“VitalCast SmartSites,” according to the February 29, 2000, release from the firm. BILL
BATHHURST, the firm’s general manager, made the announcement. The strategy parallels that
of MOTHERNATURE.COM, offering providers a means of sharing in profits from sales of natural
products through the web. The firm is claiming distinctiveness through of its model through
“rigorous standard of product selection by its board of medical advisers.” This is in contra-
distinction to the MotherNature.com strategy which is advertised as supporting CAM provider
selection of suppliers. VitalCast.com also offers an interesting twist on the debate around
providers benefiting from sales of product by allowing the provider’s share to be donated to
charity. VitalCast is attempting to draw both physician and consumer interest through its use of
streaming audio technology which will link patients to radio shows from such personalities as
DEBORAH RAY and GARY NULL which can be offered as “background listening” in provider
offices. The release has an unusually direct comment on potential conflicts of interest: “VitalCast
web site separates its content division from its e-commerce side. No one can pay to have his or
her books reviewed on the site, and seats on the expert board of advisers are not for sale.” From
PRNewswire.

B. The call to the web is being heeded by another of the early private ventures into CAM clinics:
COMPLETE WELLNESS CENTERS (Nasdaq CMWL and CMWLW). The firm has selected
ENVISION DEVELOPMENT CORPORATION (www.envisiondev.com) to “transition CWC into the
Internet healthcare community.” The site will include patient education, practice management
information and physician recruitment tools. CWC presently advertises 57 centers in 12 states.
Rebecca Irish, Chief Financial Officer at 877-WELLNESS or at completewellness.com. From

C. Marietta, Georgia-based MATRIA HEALTHCARE, INC., recently signed a joint marketing
agreement with natural products supplier AMERICAN HEALTH SCIENCES (AHC). Matria
provides disease management services on women’s health to health plans and employers. The
firm, with over 40 offices nationally, focuses on chronic conditions of diabetes, respiratory
disorders and cardiovascular disease. Tyson’s Corner, Virginia-based AHC will offer a line of
nutraceuticals as well as physician training and patient education materials. The release from
Matria references a November 1999 “Committee Opinion” from the AMERICAN COLLEGE OF
OBSTETRICIANS AND GYNECOLOGISTS which recommended that physicians ask patients
about their use of complementary and alternative medicine (CAM) and provide sources of
additional information about the subject. DONALD MILLARD, president and CEO of Matria calls
the alliance part of the firm’s effort to expand beyond gynecology to general women’s health care.
Millard notes that he views the agreement as having the potential to “provide a significant
revenue opportunity for the division.” The release states that over 20 products are in the
agreement, including prenatal vitamins, calcium supplements, a phytoestrogen product for
menopause management, and formulations targeted to other female concerns. The president of
AHS is JOHN MAMANA, MD, a clinical associate professor at GEORGETOWN UNIVERSITY.
For AHS: www.clinicians-choice.com. For Matria: www.matria.com

D. Drawing the lines between the sequence of jobs held by MICHAEL CRONIN, ND, for
AMERICAN WHOLEHEALTH (AWH) describes the business shifts of that organization. Cronin, a
clinician with 20 years of experience and a resume which includes founding SOUTHWEST
COLLEGE OF NATUROPATHIC MEDICINE, was initially the director of integrative medicine for
AWH clinics. Subsequent to AWH’s late 1998 merger with NATIONAL EMPLOYEE
BENEFITS/CAM SOLUTIONS which created AMERICAN WHOLEHEALTH NETWORKS, Cronin’s title shifted to a clinical director position on the network side. With AWH’s primary thrust in the dot-com arena, Cronin is currently heading up business-to-business activity for WHOLEHEALTHMD.COM. He continues to work out of his Phoenix office.

5. HISTORIC FIRST: ND APPROVED BY IRB TO HEAD HOSPITAL RESEARCH

The Institutional Review Board (IRB) of the Zion, Illinois facility of CANCER TREATMENT CENTERS OF AMERICA has approved naturopathic doctor LUKE HUBER, ND, to head up a research project on the effects of green tea extracts in combination with two chemotherapy drugs in stage III and state IV breast cancer treatment. The approval is believed to be the first for by a hospital’s IRB for a naturopathic physician. Huber is heading a mixed ND/MD research team. 847-872-6367.

6. RESOURCES: GUERRILLA MARKETING, HNI FOODNOTES, ACAM/INNOVISION

A. GUERRILLA MARKETING A CAM CLINIC “Building a Successful Practice,” subtitled “A Step by Step Guide to Building Your Own Profitable Business,” is a useful little vanity press publication developed by JASON LILES and SHIROKO SOKITCH, MD, of HEART TO HEART MEDICAL CENTER in Santa Rosa, California. For health system-sponsored integrative clinics, some of the marketing strategies, such as leafleting cars, and carrying brochures door-to-door to local businesses, may seem outside the usual marketing programs. What this book does is capture some of the realities of the way CAM’s providers have historically developed their practices out of the grassroots. If not always a guide for a large facility -- although it is likely to include some useful tips -- this 50-page production is a good grounding in guerrilla marketing tactics for CAM services. A useful reference point for those who choose to explore these marketing avenues is the reported in the March 2000 INTEGRATOR that the individual responsible for recruiting patients for a new trial for the PREVENTIVE MEDICINE RESEARCH INSTITUTE founded by DEAN ORNISH, MD, is doing so by taking brochures to neighborhood businesses. Some 2000 of the $29 publication had been sold as of late 1999. 707-524-9640

B. HEALTHNOTES is adding a “FoodNotes” section and a retail staff training module in version 6.0, scheduled for release in May. The FoodNotes section attempts to help consumers sort through the vast and conflicting dietary information. The section includes 55 topics, such as organic foods, fat alternatives and fat replacers, soybeans and soy foods, vegetarian diets, dietary fiber, fasting, and recipes for wheat, dairy-, and egg-free and soy diets. HealthNotes founder, SCHUYLER LININGER, DC, notes that the retail staff training sections were added “for the simple reason that well-informed employees boost sales.” Kiosks with the HealthNotes database support sales of nutritional products in over 5000 outlets in the U.S. and abroad. www.healthnotes.com

C. ACAM will initiate a new journal, CLINICAL PRACTICE OF ALTERNATIVE MEDICINE this year, to be published by INNOVISION COMMUNICATIONS, the firm which publishes ALTERNATIVE THERAPIES IN HEALTH AND MEDICINE. Editor will be DERRICK LONSDALE, MD (440-835-0104), with Nancy Becker of Innovision (800-899-1712) serving as managing editor.

7. CONFERENCES: SUNY NY, ACAM, HOMEOPATHIC RESEARCH, DISEASE MGMT

A. ALTERNATIVE MEDICINE: SHATTERING MYTHS, FORGING REALITIES is the title of a conference scheduled for May 5-7, 2000. The common denominator in the talks is presented as “what works.” All presenters are medical doctors. The conference is sponsored by AMERICAN HEALTH CONSULTANTS, a MEDCIAL ECONOMICS company. AHC publishes some CAM
newsletters, including “Alternative Medicine Alert.” Grand Hyatt Hotel, Atlanta, Georgia. $495.
www.ahcpub.com

B. MEDICAL CHALLENGES FOR THE FAMILY is the focus of Spring Conference for the
AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE (ACAM). Dallas, Texas, May
4-7, 2000. 949-583-7666 X3, or www.acam.org

C. The HOMEOPATHIC RESEARCH NETWORK, a group of leading medical doctor
homeopaths, will hold their fifth annual meeting in Washington, DC, June 23-24. The gathering is
in association with the AMERICAN INSTITUTE OF HOMEOPATHY meeting. For information,
contact MICHAEL CARLSTON, MD: (707) 545-1554; mcarlston@aol.com.

D. The 2000 DISEASE MANAGEMENT CONGRESS in Boston, September 25-27, will include
a day-long track on CAM, with a particular focus on mind-body. JON KABAT-ZINN, PhD, is
among the features speakers. Also included are MICHAEL SHOR, MPH, and LINDA BEDELL
LOGAN. The panel will be moderated by INTEGRATOR publisher-editor JOHN WEEKS.

End

INDUSTRY/HEALTH News File #51, March 13, 2000

INTEGRATOR INDUSTRY/HEALTH NEWSFILE #52, March 29, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. CAM IN HOSPITALS: SUGGESTIVE DATA FROM AHA NURSE SURVEY
2. PINNACLE HEALTH ENGAGES CAM PROGRAM
3. WORKING WITH EMPLOYERS: CAM-HEALTH PROMOTION CROSS-OVER POTENTIAL
4. CONSUMERLAB PROGRAM FOR NATURAL PRODUCT QUALITY EXPANDS ONLINE
5. CAM CONSUMERS: MEDSTAT/INFORUM, NHANES III/NUTRITION, ER PATIENTS

OVERVIEW: Surveys relating to CAM usage continue to pop up everywhere. This NewsFile
reports intriguing data from AHA/Health Forum which could have been very useful, were it not for
a fax glitch which limited returns. Also included here are new looks at consumers, plus an
employer survey which ,while not focusing on CAM, provides guidance on partnership
opportunities. Finally, take a look at www.consumerlab.com and the related report this issue. This
organization appears to finally have created a business structure for attacking the problem of
variable quality among supplement manufacturers. Your comments, as always, are welcome. --
John Weeks, Publisher-Editor, THE INTEGRATOR

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and
Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

1. CAM IN HOSPITALS: SUGGESTIVE DATA FROM AHA/HEALTH FORUM NURSE SURVEY

The AMERICAN HOSPITAL ASSOCIATION/HEALTH FORUM has made available to THE
INTEGRATOR results of a survey of the 1200 members of the AMERICAN ASSOCIATION OF
NURSE EXECUTIVES (AONE) conducted last fall. A major fax problem significantly limited responses
(103 total, or 7%), but surveyor SITA ANANTH, CAM leader for AHA/HEALTH FORUM, notes that the
findings are while not statistically significant, are “anecdotally significant” and “signposts and trends” to
shape AHA/Health Forum activity. The purpose of the survey was to add to information from on
present and future use of CAM in hospitals, and also to gain a better understanding of the role the AHA/HEALTH FORUM may have in "supporting organizations in the way of information, resources and services." Of respondents, 87% reported providing some CAM services. Half (47%) of those without programs plan to offering some services. Outpatient services are generally offered between two and three times as often. The finding reinforces perception that inpatient CAM services may are the next frontier for integration. Pastoral counseling (63%) tops inpatient services, with massage (51%) topping outpatient services. Primary motivation for 62% is patient demand, while support of institutional mission ranked #1 with 20%. When asked for "other strong motivators," "clinical effectiveness" appears at the top, with 53% noting this issue. Request from physicians was noted by over a quarter (27%), with request from employees also noted by many. Payment strategies, led by cash (69%), was all over the map. Other strategies include: 3rd party (27%), part of physician or nursing care (18%), foundation and grant money (9%) and workers compensation (6%). The top source of information for those developing programs were journals, with THE INTEGRATOR and “Alternative Therapies in Health and Medicine” noted. Others sources identified were; community CAM providers (54%), websites (52%), consultants (25%) and a variety of other programs. The major challenges were listed as physician resistance (69%), budgetary constraints (39%), lack of internal expertise (36%), provider credentialing (31%) and lack of senior management buy-in (20%). Among the other challenges also noted were lack of clinical studies and/or FDA approval. The leading requests for the way AHA/HealthForum can support the work were listed as: reference materials (71%), web based information (55%), networking (54%), customized education (43%), consulting services (22%), plus a variety of other services.

2. PINNACLE HEALTH ENGAGES CAM PROGRAM

Harrisburg, Pennsylvania-based PINNACLE HEALTH has engaged a multi-faceted exploration of CAM integration. DAVID FRANK, MD, is working two days per week, with an assistant, in loaned space, on a $100,000 first year budget. Frank is a rehabilitation physician who has worked closely with a chiropractor for the past five year. Pinnacle identified him as a potential CAM leader prior to a retreat which looked into the subject a year ago. Frank is working on a strategy which will build out CAM from current health system programs. He found interest in adding CAM services among five of the system’s 22 owned family medicine practices. Therapies of most interest are massage, therapeutic touch, acupuncture and aromatherapy, Frank reports. He is also exploring services which would include a “general overview type visit” and “herbal and nutritional counseling.” All services are anticipated to be cash. He is also working the with system’s LEARNING INSTITUTE to integrate CAM into diabetic, pulmonary and cardiac rehabilitation programs. He sees himself “as a facilitator, working as a bridge -- I don’t do any of them.” The program is called “WellQuest – Collaborative Healing Institute.” PHONE

3. WORKING WITH EMPLOYERS: CAM-HEALTH PROMOTION CROSS-OVER POTENTIAL

Those considering direct-to-employer marketing of CAM’s potential for health creation may find value in the “1999 National Worksite Health Promotion Survey” by WILLIAM M. MERCER. The report concludes that employer offerings of health promotion programs has grown significantly over the past decade. Nine-in-ten worksites offer at least as minimum level program. Leading reasons for offering: keeping workers healthy (84%), improving employee morale (77%), reducing health care costs (76%) and retaining good employees (75%). Interestingly, when asked for the “business concerns” which are related to employee health, health care costs jump to front of the pack with (94%) noting this concern. Occupational injury and employee performance follow, both at (89%), and ability to recruit and maintain employees (85%). However, only half of the businesses regard health as a core business value and as essential to business objectives. Not surprisingly, the depth of the employer’s health mission is closely correlated to the incidence of health promotion programs. The report was developed in conjunction with the ASSOCIATION OF WORKSITE HEALTH PROMOTION (AWHP) the US DEPARTMENT OF HEALTH AND HUMAN SERVICES, and others. Growth of health promotion programs is anticipated to continue due to
rising health care costs. Information was collected at 1544 worksites for the report. Copies of the $199 report are available from 847-480-9574, or online at www.awhp.org.

4. CONSUMERLAB PROGRAM FOR NATURAL PRODUCT QUALITY EXPANDS ONLINE

The questions about the quality of natural products, especially those advertised online, are seeing an intriguing step forward through an alliance between CONSUMERLAB.COM, an independent product testing firm, and ENUTRITION.COM, a leading player in online retailing of natural products. ConsumerLab.com, LLC calls itself “an online provider of consumer information and independent evaluations of health, wellness, and nutrition products.” The firm plans to have completed tests of many of the top selling dietary supplements in the United States, including Echinacea, Calcium, Creatine, Garlic, Ginseng, St. John's Wort, as well as vitamins C, E, and multivitamins. Many have already been completed. The tests can include ingredient composition and amount, formulation, bioavailability, accuracy of label claims and purity. eNutrition, the firms’ first “Preferred Content Partner,” will be able to post ConsumerLab’s proprietary results taking the results on their website as a navigation tool for consumers. Those products which pass muster can be granted the ‘CL Seal of Approval.” Findings will also “enable eNutrition to remove such products from its store,” according to the White Plans, New York. RANDOLPH GALE, eNutrition president and CEO, calls the partnership an expansion of the site’s “advocacy”: role for the consumer. TOD COOPERMAN, MD, is president of ConsumerLab.com and MARK BLUMENTHAL, founder of the AMERICAN BOTANICAL COUNCIL, is an advisor.

5. CAM CONSUMERS: MEDSTAT/INFORUM, NHANES III/NUTRITION, ER PATIENTS

A. MEDSTAT INFORUM CAM DATA

The 13th annual PULSE™ SURVEY, conducted by MEDSTAT’s INFORUM, based on interviews with 100,000 household respondents, found the following that “alternative medicine is growing in usage and in acceptance by the general population.” At least one individual in 17% of households visited a chiropractor last year; roughly 5% visited a massage therapist, homeopath, acupuncturist, or nutrition therapist. Natural products such as herbal supplements are in use in 28% of households. The chief reason for doing so, cited by 40%, was a feeling that conventional medicine didn’t help. The researchers suggest that “the combination of an empowered healthcare consumer and the robust economy may explain the increase in the use of such services.” Notably, use of the Internet has doubled to 10% of households. Nashville-based InForum’s PULSE survey covers over 70 topics, and links the results with lifestyle characteristics (household preferences, habits, and choices) through Claritas’ PRIZM, the premier lifestyle segmentation system introduced by Inforum to healthcare providers more than ten years ago.

B. NHANES III FINDS GROWING SUPPLEMENT USE

The recent analysis of the third NATIONAL HEALTH AND NUTRITION EXAMINATION SURVEY (1988-1994) (NHANES III) of 33,905 individuals finds a growing use of supplements and acknowledges that supplement use may be increasingly necessary. While the era of the survey is dated, author comments and analysis reflect the growing sophistication achieved in academic medicine in the intervening years. The authors state: “Certain dietary supplements … may become increasingly important in vitamin and mineral supplementation, since dietary practices in the United States have changed in ways that have reduced the vitamin delivery from the diet.” A focused look at supplementation of folic acid, which is associated with prevention of neural tube defects, by women of child-bearing years found that 2/3 were still not getting recommended levels. Demographic spread among supplement users in NHANES III reflects other studies, with use associated with individuals with higher incomes, higher education, Caucasian ethnicity and
residency in the West. The survey found more than 300 “non-vitamin and non-mineral products” in use as dietary supplements “some of which are documented as having serious adverse health effects.” The authors recommend much more substantial education of health professionals to the pros and cons of supplements: “Health professionals should be alert to the potential health effects from overdosing or underdosing by those using the supplements.” Additional pressure on supplement-ignorant medical providers is indirectly applied in a recommendation that consumers consult health professionals for evaluation on their diet and lifestyle prior to engaging a supplement regime. A medical doctor with no education in this arena will not be worth much. The authors also urge that supplement labels clearly list ingredients and known contraindications. Finally, echoing a recommendation of virtually all researchers on consumer use of CAM, the authors promote inclusion of questions on supplementation in medical histories. Results from the research team, led by LINA S. BALLUZ, SCD, MPH, of the CENTERS FOR DISEASE CONTROL were printed in Arch Fam Med. 2000;9:258-262. lb7@cdc.gov

C. MOST EMERGENCY ROOM PATIENTS HAVE USED CAM

A report in the Annals of Emergency Medicine found that of 139 emergency department patients interviewed, 78 had used some alternative medicine. The findings on communication with physicians line up with past surveys of CAM users: a significant majority (70%) had not told their physician. CAM was perceived to be valuable: 87% said that they believed that the therapies were effective. Top use was massage (31%) and chiropractic (30%). About a quarter of the patients use herbs. Meditation was noted by 19% and acupuncture by 15%. The authors, JANET GULLA and ADAM SINGER, MD, from SUNY STONY BROOK, urge emergency medicine physicians to ask patients about CAM use, “particularly herbal preparations which may cause adverse effects.” The authors note that they took a practical step which study after study suggests should be taken in all conventional practices: questions exploring CAM use have been added to their structured histories. Source: March 20, 2000 Reuters Health. (Ann Emerg Med 2000;35:226-228.)

End

INTEGRATOR INDUSTRY/HEALTH NewsFile #52, March 29, 2000

INDUSTRY/HEALTH NEWSFILE # 53, March 31, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. INTERNET: HEALTHEON/YOUR HEALTH, MOTHERNATURE/WELLCALL, PLUS,
SMARTSMED-VITAMINSHOPPE, HEALTHCENTRAL/VITAMINS.COM, CWC/ARALT.COM
2. BEHAVIORAL HEALTH/CAM CROSSOVER: NEW NEWSLETTER, WEB PARTNERSHIP
3. CAN’T GET TO THE TABLE: AMA SAYS NO TO MEETING WITH ACA
4. PUBLICATIONS AND RESOURCES

OVERVIEW: The e-health movement is finding its way increasingly into the CAM universe. The connection is DEMOGRAPHIC: CAM user profiles tend to reflect those of Internet user. The connection is PHILOSOPHIC: promoters of both Internet and CAM view themselves as advocates of patient empowerment and selfcare. The connection is ECONOMIC: natural product sales and self-care books and devices are viewed as a “natural” for e-commerce. Add to these affinities the following three CAM industry realities: 1) the disappearing PMPM to CAM networks in affinity programs which is stimulating a focus by CAM networks on web sales of products (see November 1999 INTEGRATOR); 2) the historically important although controversial role natural products sales have had in the office income of many CAM providers; and 3) venture money is heating up Internet exploration even as the hospital and health system deficits, post-1997 Balanced Budget Act, are cooling health system investment in integrative clinics. For these
reasons and others, expect the role of the Internet to increasingly find its way into the INTEGRATOR and these NewsFiles. Your comments, as always, are welcome. -- John Weeks, Publisher-Editor.

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

1. INTERNET: HEALTHEON/YOUR HEALTH, MOTHERNATURE/WELLCALL PLUS, SMARTSMED/VITAMINSHOPPE, HEALTHCENTRAL/VITAMINS.COM, CWC/ARALT.COM,

A. HEALTHEON/WEBMD: $50M CONTENT AND SPONSORSHIP FROM YOUR HEALTH

HEALTHEON/WEBMD (Nasdaq:HLTH) has taken steps to remedy the dearth of CAM information on the megasite. In a March 14 release, the firm announced an agreement under which New York City-based YOUR HEALTH, INC. will create “integrative medicine and wellness channel for consumers and physicians.” Like the recent megasite announcement which linked DRKOOP.COM with WHOLEHEALTHMD.COM, the Healtheon/WebMD agreement has both content and sponsorship components. Your Health is paying $50-million over a five year period for the place on the Healtheon/WebMD site. Your Health has the exclusive online rights to the CAM content of PHILLIPS PUBLISHING, including JULIAN WHITAKER’s Health & Healing, Alternatives and Health, which together are read by over 1-million individuals a month, according to the release. Interestingly, the outspoken Whittaker’s widely read newsletter is one of the most polarized and bombastic in alternative medicine, but with a reportedly successful link between sale of information and sales of natural products. The release uses the following description: “Integrative medicine is the clinical practice of integrating alternative therapies with conventional treatments to provide a more comprehensive form of care.” The relationship includes: a dedicated integrative medicine column in “select specialty channels,” including cardiology and oncology; a new specialty channel; anda co-branded content specialty newswire. MITCHELL GAYNOR, M.D., executive vice president and chairman of medical technology for Your Health Inc. and director of oncology and integrative medicine at STRANG-CORNELL CANCER PREVENTION CENTER, and president MARK A. FOX were the cited leaders in the release for Your Health Inc. The firm describes its mission as “creating the first global platform to deliver predictive wellness care solutions -- based on scientific, clinical information about alternative therapies and integrative medicine -- to a community of consumers, health care providers, educators, regulators and payors.” Jennifer Meyer, for Healtheon/WebMD, +1 212-880-5253, or jennifer.meyer@ogilvypr.com, or Leslie Glazer of Your Health Inc./The Fox Group, +1 212-445-8226, lglazer@bsmg.com, Source: PRNewsWire, March 14, 2000.

B. MOTHERNATURE.COM ANNOUNCES THREE MORE PARTNERSHIPS

MOTHERNATURE.COM announced an expansion of its co-marketing program on March 15 (AOL News) with agreements with PHS HEALTH PLANS, FAMILY HEALTH AMERICA (FHA) and WELLCALL. PHS is a Connecticut-based health care plan, FHA a national chiropractic network and WellCall a provider of preventive health and wellness. MotherNature states that the agreements will extend its reach to “over a million covered lives and thousands of practitioners in the three organizations.” Publicly-traded MotherNature (Nasdaq: MTHR) has already locked similar agreements with the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS and Sacramento, California-based Connecticut-based LANDMARK HEALTHCARE. Interestingly, PHS, the third largest plan in the Northeast, had already contracted with Landmark to offer mixed affinity and covered CAM products in the Tri-State area (NY, NY, CT) last year. PHS is a subsidiary of FOUNDATION HEALTH SYSTEMS (NYSE:FHS). The PHS agreement will give PHS members a 10% discount on product at a co-branded MotherNature-PHS site. The FHA agreement is part of an attempt to move FHA’s chiropractors into MotherNature “Wellness
Advisory Network” (WAN). Under this program, MotherNature’s develops individual websites for providers through which natural products prescribed for, or desired by, patients of the network’s chiropractors may be purchased. The WellCall deal is also built around MotherNature’s efforts to move practitioners into WAN. For information: Sharon Rice, call 978/929-2008 or email: sharon.rice@mothernature.com.

C. INFUSION FIRM SMARTSMEDS.COM IN AGREEMENT WITH VITAMINSHOPPE.COM

SMARTSMEDS.COM, and vitamin e-tailer VITAMINSHOPPE.COM announced an agreement on March 13 under which VitaminShoppe.com’s online vitamin sales will be made available to users of Smartsmeds.com, the e-commerce site subsidiary of infusion therapy and specialty pharmaceuticals firm INFU-TECH (Nasdaq: INFU). Visitors to the two sites will be hyperlinked to the other, with conventional medical information and supplies provided by Smartsmed and CAM product from VitaminShoppe. States JACK ROSEN, Infu-Tech chairman and CEO: “By affiliating ourselves with a prominent and well trafficked health and wellness site, we underscore our position as the Internet provider of choice for disease management and the delivery of specialty pharmaceuticals, and other prescription medication to patients suffering from chronic and long-term conditions by supplementing these services with, books and herbal, homeopathic and personal care products -- to Smartmeds.com users.” Infu-Tech, an organization accredited by the JOINT COMMISSION OF HEALTHCARE ORGANIZATIONS, boasts managed care relationships “with enrollees of more than 70 HMO's, large employer groups, Medicare and Medicaid” is 27 states.

D. HEALTHCENTRAL.COM PURCHASES VITAMINS.COM

HEALTHCENTRAL.COM announced on March 16 an agreement to purchase e-retailer VITAMINS.COM, which it will operate as a wholly owned subsidiary. HealthCentral (Nasdaq: HCEN) acquires 200,000 new Internet customers in the deal, plus 175,000 mail order customers. Vitamins.com, which had over $30-million in 1999 revenues, also has 10 retail stores in the great D.C. area. Emeryville, California-based HealthCentral will issue $103-million in common stock to acquire the firm. ROBERT HAFT, president of Vitamins.com, and C. SAGE GIVENS, Managing General Partner of ACACIA VENTURE PARTNERS, an Vitamins.com investor, will be appointed to HealthCentral.com's board of directors. More information is available until April 16 by contacting http://www.noonanrusso.com/www/wwwHC/hcen.ihtml to hear an “i/cast replay” of the announcement. According to the release, HealthCentral “has access to 85 pharmacy benefits management contracts.” HealthCentral.com also acts as an application service provider by designing, hosting and maintaining private label Web sites for hospitals and health plans. The acquisition is presented as a major step toward creating profitability for the do-com firm. FRED TONEY, HealthCentral.com’s executive vice president and CFO made the announcement for the firm. www.healthcentral.com

E. COMPLETE WELLNESS CENTERS SELECTS DRALT.COM

COMPLETE WELLNESS CENTERS, manager of a network of multi-disciplinary MD-DC based clinics, has selected Woburn, Massachusetts-based DRALT.COM as to support both “B to C” (business to consumer) and “B to B” (business to business) CWC objectives. DrAlt.com reportedly has proprietary technology to support the CWC’s online practice management objectives. According to a March 14 PRNewswire release, CWC anticipates that consumers visiting the site will be able to “have access to traditional and alternative health information and product solutions, as well as the capability to interact with their healthcare providers.” GARY WHEAR is president of DrAlt.com. www.completewellness.com

2. BEHAVIORAL HEALTH/CAM CROSSOVER: NEW NEWSLETTER, WEB PARTNERSHIP

A. AN INTRODUCTORY REFLECTION
One surprising NON-development in the arrival of CAM in the HMO/insurance world is the limited extent to which any behavioral health networks have expanded to include other CAM providers. Instead, most of the significant CAM networks are expansions of chiropractic networks which added other CAM provider types (ASHP, AWHN, CHP, Alignis, ACN, Landmark, etc.). Yet most practitioners of traditional Chinese medicine, naturopathic medicine, of integrative MD-care, and even massage will admit a strong if not leading mind/spiritual and/or behavioral component to the body-mind interactions they have with their patients. Two recent developments sponsor this reflection. A writer from a new newsletter contact THE INTEGRATOR regarding "a behavioral health newsletter that contains aspects on alternative medicine and billing for the same." While the new product may simply be viewed as an attempt to as create a broader audience than either target audience alone, the co-habitation in the same pages suggests a potentially rich exploration. The second reason for this reflection is the notice immediately below. Might the next phase of the integration process be marked by increasing focus on the behavioral aspects of CAM's whole-person approaches?

B. NEW DOT-COM ALLIANCE BRINGS CAM INTO DISEASE MANAGEMENT

Santa Monica, California-based RNETHEALTH.COM, INC. (RnetHealth.com) describes its mission as offering programming, products and services as a platform for working with the behavioral healthcare needs of significant employer and payer institutions. The firm's MYMINDANDBODY.COM site targets individuals with diverse behavioral health and addiction issues ranging from eating disorders, depression and substance abuse to teen and domestic violence, as well as the behavioral components of chronic diseases such as cancer and heart disease. On February 28, RnetHealth announced an agreement under which its web visitors will use a health care provider search engine developed by Hackensack, New Jersey-based HEALTHSTREET. The co-branded RnetHealth-HealthStreet provider directory on mymindandbody.com will include physicians, psychologists, clinical social workers, and alternative healthcare providers "who treat behavioral health and chronic illnesses." According to RnetHealth president WENDY BOROW-JOHNSON, the relationship "begins our workplace initiative in establishing business-to-business services with behavioral health providers." DAVID ZAKAI, president and CEO of HEALTHSTREET, anticipates that the alliance "will enhance both partners' business-to-business strategies through the expanded offerings and co-marketing opportunities in the employee benefits marketplace." RnetHealth's cable television network, MYMINDANDBODYTV, which presently reaches into 6 million households, is expected to drive traffic to the web site. Supporting this partnership are a network of relationships RnetHealth boasts with diverse nonprofit behavioral health care organizations. Called National Partnership for Recovery and Prevention (NPRP), the alliance involves 50 national health, support, recovery and prevention organizations is the United States. For RnetHealth.com, call (310) 393-3979

3. CAN'T GET TO THE TABLE: AMA SAYS NO TO MEETING WITH ACA

An article by business reporter HOWARD WOLINSKY in the CHICAGO SUN-TIMES on March 24 revealed that the AMERICAN MEDICAL ASSOCIATION has turned down a request from the AMERICAN CHIROPRACTIC ASSOCIATION for meeting between leaders of the organizations. The ACA, which has quietly been attempting to set a meeting with the AMA for two years, released a letter from AMA chairman TED LEWERS, MD, in which Lewers stated: "It is our understanding that the ACA desires to meet with the leadership of the AMA in order to 'focus on those issues we have in common.' However, the AMA has a different view and no desire for such a meeting." The ACA proposed the meeting in August of 1997. Nearly a year later, in June of 1998, the AMA agreed to meet, but a date was not set, until early in 1999. The proposed meeting date, November 17, 1999, was yet another eight months away. As the date approached, the AMA reportedly canceled, citing "pressing business." Garrett F. Cuneo, executive vice president of the ACA, noted the ACA's hope for the meeting: "We thought that by having the AMA and ACA meet, we could form exploratory committees on education, research and professional
development that could speed cooperation.” Lewers reportedly defended the AMA’s decision by complaining that ACA made “spurious charges” against the AMA in recent court documents “which provide no basis for beginning a dialogue.” Lewers referenced ACA filings which allege that the AMA conspired with Medicare to exclude in a series of policy changes which have significantly diminished use of chiropractic by Medicare patients. ACA attorney George McAndrews told Wolinsky that the references were to AMA behavior in the 1960s and 1970s which led up to the ACA’s successful lawsuit against the AMA. Source: “AMA snubs overture from chiropractors” by Howard Wolinsky, Chicago Sun-Times, March 24, 2000.

4. PUBLICATIONS AND RESOURCES

A. MEDICAL ECONOMICS has begun a quarterly column, “CAM Consult,” on CAM topics. The primary care-focused publication views the move as an attempt to reach a younger demographic as well as to respond to the general trend toward acknowledging the role of CAM in consumer choice and physician interest. INTEGRATOR publisher-editor JOHN WEEKS was tapped by DEBORAH GRANDINETTI, the publication’s in-house CAM expert, to write the column. Weeks, contacted by THE INTEGRATOR, notes that his work “tends to be homogenized into the Medical Economics tone” by the editorial process but that he is pleased to have the opportunity to reach the magazine’s audience. The first column (December 7, 1999) focused on credentialing issues. The second, scheduled for March, asks to what extent conventional practitioners should expect to see CAM services replace what they are presently providing. The third looks at the question of what is an “integrative MD.”

B. The web address for the full order from the WHITE HOUSE which is establishing a presidential commission on CAM policy is: www.pub.whitehouse.gov/uri-res/12R?urn:pdi://oma.eop.gov.us/2000/3/8/13.text.1

C. In a decision which the AMERICAN MEDICAL ASSOCIATION believes may create a basis for increasing independent practice from CAM providers such as naturopathic physicians, the HEALTH CARE FINANCING ADMINISTRATION (HCFA) told the AMERICAN ASSOCIATION OF NURSE ANESTHETISTS (AANA) that HCFA will remove a requirement that nurse anesthetists be supervised by a physician. The AMA has fought the rule ever since HCFA first proposed it in 1997. The final rule is expected in June. Nurse anesthetists already work without supervision in 29 states. The AMA’s linkage of the advances in nurse independence to CAM providers is explored in “Nonphysicians gain clout” by LaCrisha Butler. American Medical News, Volume 43, Number 2: 1, 26.

D. THE CHIROPRACTIC PROFESSION, the new text on chiropractic recently reviewed here, with a preface by WAYNE JONAS, MD, can be ordered by calling 1-877-291-7312. Cost is $49.95 plus shipping. Another resource on chiropractic recently available is the MANTIS2000 research database, with over 1000 full text articles from the last five years of AMERICAN CHIROPRACTIC ASSOCIATION and INTERNATIONAL CHIROPRACTIC ASSOCIATION journals. In total, the database software includes over 20,000 references, either in abstract or full text. Cost is $159. 800-622-6309

End
INDUSTRY/HEALTH News File #53, March 31, 2000

___________________________

INDUSTRY/HEALTH NEWSFILE #54, April, 2000
A Service for the INDUSTRY/HEALTH Subscriber
1. **BIG NEWS: NCCAM CONCEPT PAPER ON “INTEGRATED MEDICINE”**

In what is certainly the most significant step to acknowledge both the needs and the potential goldmine of data available in the nation’s integrative medicine clinics, covered programs, and health system integration strategies, the NIH NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE has posted a “concept paper” which describes its first proposed award of grants on “integrated medicine.” The proposed “RO1” grants, which need to be approved by the National Advisory Council to NCCAM, will be for three years. They will go to 7-10 projects and are anticipated to cost, in total, $500,000 a year. This represents 0.7 of 1 percent of the $70-million NCCAM budget to directly target the real world business of integration activity which is the focus of INTEGRATOR coverage. The background statement includes reference to “integrated clinics” about which we have little data, well-researched CAM treatments which are poorly utilized, and insurance initiatives. Applicants are to study “one or more of the following: provider knowledge, attitudes and behaviors; economic pressures including patient/subscriber demands; healthcare quality; health outcomes; patient quality of life; resource utilization; and cost-effectiveness.” Information on the grant is available at: [http://nccam.nih.gov/nccam/fi/concepts/concepts.html](http://nccam.nih.gov/nccam/fi/concepts/concepts.html). The project officer is RICHARD NAHIN, MPH, PHD (301-496-4792), a long-time, respected NCCAM staffer. COMMENT: This grant is clearly an excellent step in the right direction for NCCAM funding. These health services projects -- at roughly $50,000 each per year and $150,000 over three years -- are what we need to move the industry forward. The funding level, however, needs to escalate rapidly. The industry would serve itself to deluge the Center with well-thought out proposals.

2. **ANTHEM CLOSE TO ANNOUNCEMENT WITH AWHN/WHMD.COM**

Sources close to negotiations between ANTHEM and AMERICAN WHOLEHEALTH (AWH) and the AWH Internet subsidiary WHOLEHEALTHMD.COM (WHMD) have shared with THE INTEGRATOR the outline of a “three phase roll-out” for that relationship. The first phase is to be nutraceuticals and personal care products via WHMD, including an interactive cooking components. The second, anticipated to be 90 days after signing, will be an affinity product involving acupuncture and massage. Anthem’s core states for the products are CT, NH, IN, OH, CO and NY, with expansion to KY and ME anticipated soon. The third phase, which “is not on the table at this time” but may evolve as the organizations work together, includes exploration of covered benefits. The for-profit managed care firm has utilized internal chiropractic networks to deliver chiropractic benefits.

3. **COST-CUTTING SHIFTS FOR UNIVERSITY OF ARIZONA PROGRAM**
The PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA DEPARTMENT OF MEDICINE announced in an April 12 release that “steps were being taken to “ensure the program’s financial viability” following a budget shortfall “exceeding $1-million.” Cutbacks include at least six staff lay-offs and a reduction in the enrollment date for the incoming class of postgraduate fellows will be pushed back from July 1, 200 to January 1, 2001. The program has requested a bridge loan for the UNIVERSITY OF ARIZONA FOUNDATION while seeking additional private, state and federal support. The Program’s founder, ANDREW WEIL, MD, has been among the organization’s representative which have worked to secure federal support the Program’s pioneering educational offerings. A new Associate Fellowship in Integrative Medicine, offered electronically and through three one-week intensives, will go ahead as planned, in August, with the first 40 enrollees. JAMES DALEN, MD, MPH, vice president for health sciences and dean of the College of Medicine was quotes as saying: “We are disappointed at this setback for this ground-breaking educational program, but we are committee to securing the funds needed to ensure that this important program can move forward.”

4. SUMMIT DRAWS COMPELLING GROUP OF SUPPORTING SPONSORS

The Integrative Medicine Industry Leadership Summit, sponsored by THE INTEGRATOR and INTEGRATIVE MEDICINE COMMUNICATIONS, has drawn a diverse group of supporting sponsors. The present list is topped by AMERICAN HOSPITAL ASSOCIATION/HEALTH FORUM and INSTITUTE FOR HEALTH AND PRODUCTIVITY MANAGEMENT, key players in the health systems and employer arenas, respectively. Two venture capital firms, HEALTH BUSINESS PARTNERS and ADAMS HARKNESS AND HILL, have come aboard, as have two network firms: TRIAD HEALTHCARE and AMERICAN SPECIALTY HEALTH. An important early commitment came from INNER HARMONY WELLNESS CENTERS, backed by health change entrepreneur PETER AMATO. The Summit has also gained supporting sponsorship from ANGELA MICKELSON, an attorney with the California law practice of HOOPER LUNDY & BOOKMAN, and Internet start-up ALTERNATIVEDR.COM. The Summit, scheduled for May 18-20 in Tucson, has drawn a significantly greater-than-capacity (75 individual) interest. The participant lists includes roughly 6-11 each of health systems, managed care organizations, academic medical centers, integrative clinics, Internet start-ups and industry/professional associations. Participants will also represent other stakeholders.

5. INTERNET ALLIANCES: THEHEALTHCHALLENGE/IMC/HEALTH MAGIC; CHI/TNP

A. Newport Beach, California-based THEHEALTHCHANNEL.COM (THC) (OTC “Pink Sheets”: THCL) announced a licensed content “alliance” with Newton, Massachusetts-based INTEGRATIVE MEDICINE COMMUNICATIONS, publisher of THE INTEGRATOR, for consumer and provider content “covering clinical, regulatory and business development” in integrative medicine. THC CEO DONALD SHEA also announced an affiliation with HEALTHMAGIC. This firm provides an array of Internet based “empowerment” tools: “HealthCompass” (lifelong health record), “CareCompass” (home care information management system) and “HealthTalk” (a secure proprietary platform for the exchange of private information on the Internet). For THC, call 888-663-8003 or www.thehealthchannel.com.

B. THE NATURALPHARMACIST.COM (TNP) was selected as a content provider by CONSUMER HEALTH INTERACTIVE (www.consumerhi.com). CHI first became known in the CAM industry as an Internet site developer for the website associated with the CALIFORNIA BLUE SHIELD affinity product. The TNP content will be rolled out onto that site (www.mylifepath.com) in April. Two other CHI Blues clients will adapt the content next: BCBS OF MINNESOTA (www.blueprint.bluecrossmn.com) and then BCBS OF MASSACHUSETTS (www.ahealthymene.com). TNP, a division of PRIMA PUBLISHING, noted that its other content clients include DISCOVERYHEALTH.COM, THIRDAGE.COM, and LIFESCRIPT.COM. 916-787-6997
C. A release from INTEGRATIVE MEDICINE COMMUNICATIONS on the INTEGRATOR "Integrative Clinic Benchmarking Project" announced the following "growing client list" for its licensed content: AMERICAN PHARMACEUTICAL ASSOCIATION, AMERICAN SOCIETY OF HEALTH SYSTEM PHARMACISTS, RX.COM, MORE.COM, HEALTHGATE.COM, ONHEALTH.COM, and ONCOLOGY.COM.

D. Winter Park, Florida-based COMPLETE WELLNESS CENTERS has escalated its move toward the dot-com arena by a merger with DRALT.COM. CWC, which had previously announced a five year services agreement with the Internet firm through CWC’s own Internet arm, COMPLETEWELLNESS.COM, will be the surviving entity. The April 17 PRNewswire release noted “significant contingencies” which could yet alter the plan.

E. MARC MICOZZI, MD, PhD, has become a lead content consultant to HEALINGMD, an firm describe in a April 10 release as “an alternative medicine on /offline company offering expert opinion on a variety of healing topics.” HealingMD is a product of TESH.COM, and information firm started by author JOHN TESH. Micozzi, executive director of the Philadelphia College of Physicians is the editor of two leading CAM textbooks for physicians. The release notes that HealingMD is currently closing a venture capital first round offering of $10 million. The launch of the site is scheduled for early this summer. 310-453-2539

6. DISCUSSION: SCIENCE, COVERAGE AND COLLABORATION AT THE NMHCC

The recent CAM Track at the NATIONAL MANAGED HEALTH CARE CONGRESS included signs of growing maturity about the role of evidence in moving CAM integration forward. He comments underscores the importance of the health services grants from NCCAM noted above.

A. THOMAS SNOOK, an actuary with MILLIMAN AND ROBERTSON in Scottsdale, Arizona, was asked point blank: “Which situation would make a payer more likely to include CAM: good controlled trials and no utilization data, or no controlled trials and good utilization data?” Snook immediate response: “The latter. No question.” As he noted elsewhere in his presentation, there is a “Catch 22” in that payers don’t like to cover things until they have utilization data, but they can’t have utilization data until something is covered. Few affinity products include any data collection.

B. TOM ALLENBURG, DC, CEO of AMERICAN CHIROPRACTIC NETWORK, closed the seven session track with an expression of outright frustration with health plan inactivity and lack of creativity. He spoke of most CAM/managed care involvement as “business relationships with little or no serious consideration given to true integration.” He noted that his sales director was wondering aloud if “maybe we should just stop coming to these folks.” His presentation on quality management placed responsibility squarely in the hands of the CAM networks since they can “gather the data” which can make a difference. He strongly recommended that networks form partnership with the health services research department at academic medical centers. His firm has begun to do this. He projected the published research from these partnerships as the leverage for change. Allenburg’s fellow panelist, CHARLES SIMPSON, DC, medical director with COMPLEMENTARY HEALTH CARE PLANS subsequently publicly offered that his firm was willing to collaborate with other CAM networks to share and compile their outcomes. Simpson’s suggestion was greeted with applause by the audience.

C. JOHN ASTIN, PhD, a researcher formerly with STANFORD UNIVERISTY and now with the UNIVERSITY OF MARYLAND CAM program also took a more aggressive tack toward health plan and physician reticence around CAM. Astin laid out the quality research on mind-body interventions -- his specialty -- for a variety of conditions. Then he asked rhetorically; “Does evidence lead to coverage of CAM? The answer is a categorical no. There is tremendous
evidence for efficacy and cost-effectiveness. As I stand here, this is the million dollar question.”
Astin reported that ANDREW WEIL, MD, has stated that mind-body interventions will be the last
to be integrated -- more difficult that nutraceuticals or even acupuncture needles -- because they “come from a different paradigm.” Astin’s presentation suggested a strategic struggle over
the investment which will most quickly create integration. He notes the LANDMARK HEALTH
CARE survey which shows that plans that don’t cover CAM rank scientific evidence high, yet
plans that do cover rank evidence of efficacy low. Yet Astin, as a proponent of quality,
conventional research, continues, like many of his academic counterparts, to assert that RCT-type evidence is the fuel for change in integration.

D. In the discussant panel, a decision was made by a leader of a major HMO that what would
move plans was mandates. In Session #2, STEVE WOOLDRIDGE, a vice present in charge of
contracting with UNITED HEALTHCARE suggested that the chiropractors “got their advances
through lobbying.” He added: “To the extent that the other professions do this will determine how
they do.” Under consideration at the time were the acupuncture, massage and naturopathic
professions.

E. In a pre-conference session on which struggled with a similar dichotomy between
the principal of evidence-based care and the facts of habit-based care, a comment was made that
what successful integration requires is not “Rocket Science” but, in fact, “Rocket Politics.” The
reference at that time was to the politics inside an organization and individual physician practices
which are required to gain a place in the referral steam.

7. NATURAL PRODUCTS: BAYER/INDENA, NORTHCASTLE PARTNERS/3 FIRMS

A. NORTH CASTLE PARTNERS, a half-billion dollar fund with a major position in the evolving
natural products industry, has merged into one unit three natural products firms which are among
the more credible natural products players. The largest of the three is Wisconsin-based
ENZYMATIC THERAPY, whose leading spokesperson and product developer for the past 15
years has been MICHAEL MURRAY, ND. Murray is the individual most responsible, through his
writings and speaking, for introducing European standardized extracts into
the United States. The other two firms, both based in Portland, Oregon, also have strong naturopathic physician
involvement: the formulations and ownership for NF FORMULAS and for TYLER
ENCAPSULATIONS are both largely naturopathic physicians. North Castle was formed in 1997
to purchase retail supplements leader LEINER HEALTH PRODUCTS, an investment which has
proved successful. An industry observer involved with a different firm told THE INTEGRATOR
that the recent move was “brilliant – they have huge manufacturing capacity which is now linked
to significant intellectual capacity.” The firm also owns a stake in the slumping Internet natural
products sales firm MOTHERNATURE.COM. The firm has an inside track on industry
opportunities from ADAMS HARKNESS & HILL (AH&H). AH&H is among the supporting
sponsors of the Integrative Medicine Industry Leadership Summit sponsored by THE
INTEGRATOR and INTEGRATIVE MEDICINE COMMUNICATIONS.

www.northcastlepartners.com

B. BAYER CORPORATION has announced a relationship with Italian natural products supplier
INDENA for worldwide exclusive rights to IDN 5109, a new anti-cancer compound, and its
derivatives. The substance is semi-synthetically derived from a species of the yew tree. Bayer
will pour the products through clinical development and commercialization. 203-812-6545.
Source: March 17, 2000. PRNewswire.

C. A solid look at the state of the natural products industry will be available at the NATURAL
BUSINESS-sponsored “How to Profit in a Maturing Market” conference slated for June 22-23 in
Berkeley, California. Among the co-sponsors is Rhode Island-based HEALTH BUSINESS
PARTNERS and NORTH CASTLE PARTNERS. 303-442-8983; $795 www.naturalbusiness.com
1. HEALTHCARE: E-COVERAGE WITH CAM COMPONENT DRAWS BIG PLAYERS

HEALTHCARE, a significant partnership which involves PRICEWATERHOUSECOOPERS and AON CONSULTING has drawn $23-million of private equity financing to a new benefit product. The untested Internet-based strategy (www.healthecare.com) makes promises for all stakeholders.

** For employers: reduction of liabilities, more choices for employees and programs for "significantly less than the $600-$700 month for a family in an HMO."

** For consumers: more involvement and a "wellness-oriented care which includes chiropractic and acupuncture." CAM is played up as a major benefit. Consumers will have a "Personal Care Account," a medical checking account "for routine care" with funds paid in 100% by employers. Funds will accrue at the end of the year if not spent. In the pattern of Medical Savings Accounts, a high-deductible "safety net" policy to over expenses, after the employee-selected deductible is exhausted, is included. The price for such coverage is typically half of an HMO subscription. A variety of online and telephone based "personalized tools" will be available.

** For providers: no referrals, no gatekeepers, better informed patients and "less paper."

The founders of the business are Craig Swanson, 34, CFO, and Chief Executive Tony Miller, 33, both formerly of Deloitte Consulting. A release from the firm states that "the concept that
attracted the investors was to give consumers more choice and responsibility in how they and their employers spend health care dollars by basically cutting out the middleman -- the insurance company or HMO -- from the decision on which clinic, doctor, chiropractor, herbalist or therapist to visit.” The founders believe “the only way that you’re going to change a system is to change the way it’s financed.” The firm’s “Personal Care Accounts” are distinct from stand-alone "medical savings accounts," where participation is limited by federal law and not tied into personalized information services. Aon is on-board with risk management and benefits consulting and PWC will provide personalized tools, including information on health issues. Equity investors are Merrill Lynch KECALP, Psilos Group Managers, private-equity funders Bain Capital, Alta Partners and Kohlberg Kravis Roberts & Co. The April 21 article was entitled “Start up anti-HMO draws big investor interest.”

2. CAM PROFESSIONS: MIDWIVES RECOGNITION, AMA/ACAM

A. The MIDWIFERY EDUCATION ACCREDITATION COUNCIL (MEAC) is seeking recognition from the U.S. DEPARTMENT OF EDUCATION as the national accrediting body for direct-entry midwifery programs. Direct-entry, European-style midwifery is distinct from nurse-midwifery programs in that these practitioners are midwives who learn nursing skills to support prenatal care and delivery, rather than nurses who learn midwifery skills. Graduates of MEAC programs tend to provide homebirth. MEAC began developing standards in 1993-1994. Eight schools presently have some with the organization. The states of Florida and Minnesota now use MEAC as their standard for midwives. A letter from MEAC notes that one potential benefits of DoE recognition is the use of MEAC standards to under-gird expansion of licensing to new states. Currently 16 states recognize direct entry midwives. Another value is allowing future midwifery students to access guaranteed student loans. 520-214-0997

B. AMA PRESSURE ON CME CREDITS HITS ACAM

The abstract, impractical gray line between teaching physicians “about” alternative medicine and teaching them “how-to” deliver CAM services is causing an ongoing dance between the AMERICAN MEDICAL ASSOCIATION and the AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE (ACAM). ACAM ‘s president TED ROZEMA, MD, told THE INTEGRATOR that the AMA threatened to drop accreditation of the association’s programs for its fall meeting and has been in close discussion for the spring conference. ACAM has sought to meet the standard by allowing “how to” presentations in pre-conference while limiting conference presentations to scientific papers and reviews. The AMA requested that ACAM pay for an AMA observer to attend the conference, which ACAM will do. Rozema is frustrated:  “We are in the process of going through their hoops. The problem is you can’t deliver the message for public benefit through AMA-sanctuioned courses.”

3. CONSUMERS: TWO REGIONAL POLLS

A. GROWING CONFIDENCE IN CAM FOUND IN PHOENIX POLL

The Rocky Mountain Poll of 603 Phoenix heads of households from BEHAVIOR RESEARCH CENTER found 50 percent feeling “growing confidence in alternative medicine” over the past 5 years. Confidence was down for 8% and unchanged for 32%. No comment was made regarding correlation between perception of value and actual use. The quotes MANNY BRACAMONTE, CEO of INTEGRAMED, an integrative clinics/news article. For conventional doctors, 26 percent of the respondents said their confidence had dropped, 23 percent reported increased confidence and 47 percent said their outlook hadn’t changed. Medical scientists came out looking good, with a more favorable view in 41 percent while 13 percent said their confidence had dropped. A big loser was public health offica, compared with 29 percent saying their confidence had dropped. “That's a real red flag for doctors and it holds some lessons for them,” said pollster Earl de Berge.
"Part of their problem, we found in our focus groups, is their attitudes toward alternative therapies. The doctors don't know much about them, at best, or they demean them, at worst.... People tell us they're fed up with doctors who simply throw chemicals at their systems."

B. ALLINA SURVEY: CAM CONSUMERS RELY ON OWN EXPERIENCE, DOCTOR ADVICE

A random sample survey of 500 Minnesotans over 18 years of age by Minneapolis-based ALLINA HEALTH SYSTEM revealed that for CAM users, personal testing was the way 58 percent determined effectiveness. This was followed by consulting their doctor (26%), looking to advice from family and friends (23%) and seeking out independent research (14%). The survey found that 48% of Minnesotans had tried some CAM. Tops were: chiropractic services (70 percent), herbal (39 percent), nutritional supplements (38 percent), massage therapy (34 percent), acupuncture (17 percent) and biofeedback (9 percent). Of those who tried, 43% found CAM "very effective" and 42% "somewhat effective." The main reason in the survey for not trying CAM was: "I don't get sick" (41 percent). Allina is a not-for-profit combined delivery system and health plan in MN, WI and the Dakotas. www.allina.com

4. MCOS & NETWORKS: WHMD.COM/PPOM, BCBSMI/LANDMARK, ALIGNIS, PLUS

A. WHMD.COM IN DEAL WITH PPOM Southfield, Michigan-based PPOM, the midwest's largest independent preferred provider organization, has formed an alliance with WholeHealthMD.com on April 24 to offer PPOM network users access to CAM information, providers and products. PPOM will also offer their members "special discounts via the Internet." (www.ppom.com) JAY LEVIN, PPOM's president and CEO cites a statistic that 70% of all Americans use some CAM as his firm's rationale. WHMD.COM is positioning its’ self as the first website to “focus exclusively on ‘integrative medicine.’” For information on PPOM, Deborah Wilson at 248-357-7766

B. NATURALLY BLUE: BCBS MICHIGAN IN AFFINITY PROGRAM WITH LANDMARK "Naturally Blue" is the name of a standard affinity product Michigan’s Blues organization is offering, starting June 1, through a partnership with LANDMARK HEALTHCARE. The provider network will include acupuncturists, massage therapists and nutritionists. Natural products will be available through Landmark’s partnership with MOTHERNATURE.COM (Nasdaq: MTHR) KATHY ELSTON, VP for marketing and sales handled the announcement for the Blues organization. The program is noted as “cost neutral” in the release and will not affect premium rates. For the Blues plan, Helen Stojic (313-225-8113) www.bcbsm.com

C. CHANGE AT THE TOP FOR ALIGNIS CAM network CEO ROD LAUGHLIN, brought in 15 months ago to take over from founding president DAN HOLLIS has left the firm. The new CEO is JACK WILLIAMS who has "a long history in the managed care industry, including positions with AETNA/US HEALTHCARE, MAGELLAN and NOVA CARE. He is expected to assist the firm’s strategic focus. The firm recently secured an undisclosed new round of financing. Also gone is former COO HASSAN RIFAAT, MD. Rifaat is now working with e-health start-up HEALTH MARKET.

D. ALTERNANET, LLC, a California-based CAM network is looking to be acquired or merging into a larger firm. The firm boast 450 providers in its network, including chiropractic, massage, acupuncture, and CAM-MDs/Do's, all of whom have agreed to a 20-35% discount. Principal Andrew Miller contacted THE INTEGRATOR seeking advice on potential partners. 831-375-9343; www.alternet.net.com

E. CROSSROADS ALTERNATIVE MEDICINE, now CROSSROADS HEALTHCARE INNOVATIONS has become a formal partner in CAM HEALTH PARTNERS, LLC, a network of CAM networks. Crossroads’ founder ROY MAUER was elected president of CAM HP and is effectively corporate headquarters for CAM HP. Mauer’s business partner MICHELLE KOSSEY
[CHECK] remains involved with the organizations. The two represented the firm the recent NATIONAL MANAGED HEALTH CARE CONGRESS.

5. INTERNET & PUBLISHING: CONSUMERLAB BOOK, SEARCHPOINTE/CHIROS, PLUS

A. CONSUMERLAB.COM, a firm which has quickly claimed leadership in a strategy to distinguish quality in natural products, has created a printed “Buyer’s Guide to Dietary Supplements.” The Buyer’s Guide will feature ConsumerLab.com’s test results and Lists of Approved Quality Products for most of the popular types of dietary supplements sold in the U.S., including calcium, chondroitin, CoQ10, creatine, echinacea, garlic, ginkgo biloba, ginseng, glucosamine, multivitamins, SAMe, saw palmetto, St. John’ wort, and vitamin C. An April 24 release from the firm noted that the guide will serve three purposes: raise awareness of product quality, give consumers access to the firm’s product reviews and lead consumers to value the “CL Seal” when selected products. 914-289-0065.

B. SEARCHPOINTE, INC announced on April 25 the launch of “Chiropractor Search,” a background and credential verification service for chiropractors. The service, which claims profiles 65,000 chiropractors, is launched through www.searchpointe.com. MATT CONNELLY, the firm’s director of business development position’s the services as a way for consumers to gather information on providers whose care is often not covered by traditional so credentialing is less likely. The firm is a subsidiary of ChoicePoint, Inc. www.choicepoint.net

C. INTEGRATIVE MEDICINE COMMUNICATIONS, publisher of THE INTEGRATOR has launched an expanded version of the firm’s CAM database. Access 2.0 will include new components on herb-drug interactions, supplement-drug interactions, drug-nutrient-depletions, drug monographs, CAM modalities and a weekly consumer news feature arketng@onemedicine.com; (877) 462-7088, ext. 223.

D. San Francisco-based HEALTHSHOP.COM, sometimes ranked the #1 natural health site by Media Metrix, launched an “alternative practitioner center” in early April. The site includes three functions for consumers: information, a practitioner locator, and “tools and tips,” a method to help choose a therapy. An unusual feature is a “Choose a Therapy Quiz” which guides consumers to potential treatment options based on their past experience, preferences, feelings and willingness to explore new treatments. Patients are also offered a “prep sheet” to get them ready for a meeting with a practitioners and some “tips for successful patients” which helps educate them on making the most of the CAM visits. Some 70,000 practitioners are included in the Internet firm’s search director. GLENN ZWEIN, CEO and founder. The firm, launched in January 1999, boasts a “10-Step Quality Standards Program” which helps separate the wheat from the chaff among natural products firms.

End
INDUSTRY/HEALTH News File #55, April 28, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. EMPLOYERS: SURVEY FINDS 55% COVER FOR COST/EFFECTIVENESS REASONS
2. PRIMARY CARE CHIRO STRATEGY UNFOLDS: AMI/AACP AGREEMENT
3. OREGON AND CALIFORNIA HMOS MOVE ON CAM COVERED BENEFITS
4. ASHP UPDATE: AFFINITY PRODUCTS IN ID, OH, MD, MA, CT, VA, OH
5. CONSUMERS: MEDSTAT, AMNEWS/CONSUMER REPORTS
6. HIGHER EDUCATION: DO/TCM CONSORTIUM; GAUDET/PIM; ADVOCATE/RESIDENCY
7. INTERNET: YOUR HEALTH/PHILLIPS RIFT, HEALTHSHOP BELLY UP, ONEBODY

OVERVIEW: Positive news on the coverage front. First, an intriguing perspective from an employer survey in which coverage for a majority is tied to substantive, rather than strictly marketing issues. Also two reports of actual HMO covered benefits on the West coast, one an unusual core benefit; and, from ASHP, a slew of new affinity products around the country. Meantime, chiropractors pushing for a scope of reimbursed practice which extends to primary care are developing an ambitious strategy with Alternative Medicine Inc. Meantime, retrenchment in the Internet world continues. As Consensus Health -- now officially “onebody,” after the onebody.com dot-com move by the firm -- CEO Alan Kittner said of the downturn in fortunes for that sector: “Instead of having the wind behind us, it’s in our face.” We’ll see which firms have the strength and access to capital to reef their sails up tight and beat into the wind. Noted recently by yours truly on the door of the executive office of one dot-com firm -- to mix up our metaphors a bit -- was a sign which says: “There is no horse too dead to kick.” – John Weeks, Publisher-Editor.

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

1. EMPLOYERS: SURVEY FINDS 55% COVER FOR COST/EFFECTIVENESS REASONS

An e-mail survey by the AMERICAN COMPENSATION ASSOCIATION found that 46% of 400 employer organizations offered some CAM benefits. Project manager LEONARD SANICOLA comments: "In today’s society, traditional medical care is no longer the ‘only’ form of medicine.” However, 91% of the organizations do not directly contract with any Cam providers. Interestingly, only 37% offered chiropractic, far below the figures in most other employer surveys. For the first time in a survey, the top reasons for offering CAM were perception of significant value in creating more effective or cost effective care. While employee requests accounted for 27%, state mandates for 9% and "employee attraction and retention" for 9%, more substantive clinical and cost issues accounted for 55%:

- **14%** (Potential for more effective and less invasive medical care)
- **11%** (Potential for long-term group health plan savings)
- **14%** (Potential to address rising costs of health a disability benefits/cost containment)
- **14%** (Fits nicely with existing wellness programs)
- **2%** (Impact employees’ time off work)

Interestingly, top reasons for not offering were "lack of utilization & cost data to support effectiveness" (13%), "lack of management support" (11%) "lack of availability from insurers" (15%) and “expansion of costs without any proven cost-savings” (17%). Notably, inadequate clinical research was noted by just 5%, a margin less than "lack of quantifiable cost-savings data” (6%). Interestingly, for large employers, the lack of utilization and cost data went up -- 27% for organizations with 2500-4999 employees and 20% for those with more than 5,000, while “inadequate clinical research” was negligible for the former and just 4% for the latter. For the two largest employer categories, concern over “expansion of costs” was at 8%. COMMENT: The higher importance of “health services” type data over clinical research was noted, bluntly, by MILLIMAN AND ROBERTSON CAM expert and actuary TOM SNOOK at the recent NATIONAL MANAGED HEALTH CARE CONGRESS, and cited in News File #54. For the study, go to: www.acaonline.org/research/generic/html/cam-survey-home.html
2. PRIMARY CARE CHIRO STRATEGY UNFOLDS: AMI/AACP AGREEMENT

In a relationship which the principle organizations believe will create "the driving force behind the creation of the first natural health care delivery system," ALTERNATIVE MEDICINE INC. has been selected as the exclusive national credentialing authority for the AMERICAN ACADEMY OF CHIROPRACTIC PHYSICIANS. AMI, founded by CEO JAMES ZECHMAN and RICHARD SARNAT, MD, is the CAM network and managed care organization which developed a chiropractor-as-PCP strategy for HMO ILLINOIS. (See January 2000 INTEGRATOR.) AACP, headed by REINER KREMER, DC, was founded in 1999 by a group of primary care-oriented chiropractors and two chiropractic colleges. The organization represents chiropractors who are interested in claiming a broader scope of practice than merely musculoskeletal work. NATIONAL COLLEGE OF CHIROPRACTIC, in Chicago, a leading chiropractic educational center for primary care practice, has been represented on AMI's board through it's president JAMES WINTERSTEIN, DC. Under the agreement, AACP will use AMI's credentialing criteria and continuing education. The late April release states that the credentialed chiropractors will be required "to demonstrate credentialing standards that equal their traditional, western trained MD counterparts." [NO MENTION MADE OF RESIDENCIES] The organizations believe that, following the move, the chiropractic profession "will experience the same transformation that osteopathic care was undergone during the last two decades," with increased general acceptance and practice rights "alongside MDs."

3. OREGON AND CALIFORNIA HMOS MOVE ON CAM COVERED BENEFITS

A. BROAD CAM CORE BENEFIT OFFERED BY HEALTH NET (OR) VIA CHP

In a move that is unusual nationwide, HEALTH NET HEALTH PLAN OF OREGON now offers a significant, core complementary and alternative medicine (CAM) benefit to all of its 100,000 members. Upon their renewal, all Health Net members can see chiropractors, acupuncturists, naturopathic physicians and massage therapists at no additional cost. The benefit, called Well Net, is managed by Portland-based COMPLEMENTARY HEALTHCARE PLANS (CHP), the dominant network in the Oregon market. Health Net is the first health plan in Oregon, and among the first anywhere, to offer such a broad core benefit in a state without a mandate. RICHARD BRINKLEY, CHP's president and CEO, refers to Health Net's decision as "a sea-change in Oregon healthcare." Rather than requiring an additional premium for a supplemental CAM policy rider, all Health Net members will all have a CAM benefit. Health Net's unusual CAM direction is led by JUDI IRVING, the plan's president: "We think complementary and alternative medicines offer a natural form of health care that can effectively complement traditional medicine for many common problems." The core benefit, which is offered to individuals as well as groups, is for $500 of services. Groups can "buy-up" to higher benefit levels. A non-covered discount-affinity component is provided as a "wrap-around" to the covered benefit. The benefit is also remarkable in that members can self-refer for, and directly access, the services. No gatekeeper is required. CHP, founded in 1989 as ChiroNet, now manages CAM services for 235,000 pre-paid lives and 1.2 million preferred provider and other managed care lives through it's four affiliates: ChiroNet, NatureNet, AcuMedNet and CHP Massage. The statewide network has 350-400 providers with a majority representing the firm's original chiropractic network. More details on the product are in the May 2000 INTEGRATOR. For CHP, contact Cathie Ericson (503-248-9468).

B. CALIFORNIA REGULATORS BREAK LOGJAM ON ACUPUNCTURE

The California DEPARTMENT OF MANAGED CARE, formerly the Department of Corporations, has finally approved a new health plan to offer an acupuncture benefit. The successful applicant is HEALTH PLAN OF THE REDWOODS, an AMERICAN SPECIALTY HEALTH PLAN client. At
least two other ASHP clients are in cue with approval believed to be coming soon. Sources suggest that DOC got cold feet on new approvals after it’s first jump into acupuncture regulation, which required those offering acupuncture to also offer a Chinese herbal medicine benefit, was attacked by some members of the health plan and provider community.

4. ASHP UPDATE: AFFINITY PRODUCTS IN ID, OH, MD, MA, CT, VA, OH

Over the past seven months, AMERICAN SPECIALTY HEALTH NETWORKS has lined up a series of affinity products, previously unreported in the INTEGRATOR. Sources close to ASHN have shared with THE INTEGRATOR that while all this business is affinity, the firm is bullish on the future for coverage benefits. Executives believe that in the next 6-9 months new covered benefits will be announced in many locales. Among the new affinity contracts, with useful comments and information from the boilerplate ASHN releases are:


** St. Louis-based ALLIANCE BLUE CROSS BLUE SHIELD (www.abcbs.com). Began April 1, 2000. No total on member noted in release. Quoted spokesperson: KATHY ZORIZCA, senior vice president of product management and business analysis. Program includes member of the senior BlueHorizons Medicare product. ABCBS is Missouri’s largest benefit provider. Release date: April 1, 2000.


5. CONSUMERS: MEDSTAT, AMNEWS/CONSUMER REPORTS

A. The 1999 Inforum Pulse survey, conducted by THE MEDSTAT GROUP, has found that 5% of households nationwide visited a non-chiropractor alternative medicine practitioner. Massage therapists were most widely visited, with 44.6% of users seeking this type. Nearly one-third (29%) said they had some coverage for the services. Roughly two-in-five used the CAM services because they thought conventional care didn’t help, while 28.2% used these services in a classic “complementary” fashion, to supplement their conventional care. Belief in the value was noted by 13.8%.

B. The May 1, 2000, issue of American Medical News (page 8), a publication of the AMERICAN MEDICAL ASSOCIATION, included an article based on the CONSUMER REPORTS consumer
survey on CAM (May 2000). The article, entitled “Patient, doctors talking more about alternative care,” highlights a shift toward disclosure of CAM usage between doctors and patients. The consumer reports study found that 60% of the magazine’s readers told their doctors, that “most doctors approved (55%) or were neutral (40%) and only 5% disapproved.” Consumer Reports health editor RONNI SANDROFF is quoted as stating that the increased communication is linked to a variety of factors, including increased popularity, publication of new studies, more continuing education for physicians, and new insurance benefits. The unusual poll, which asked 46,000 consumers to note two medical conditions they’d had in the last two years, then asked what they did for them found that 35% (16,000) say alternative providers. Top usage was deep tissue massage for lower back and fibromyalgia, as well as chiropractic and acupressure. Nine percent of users said they used CAM treatments first.

6. HIGHER EDUCATION: DO/TCM CONSORTIUM; GAUDET/PIM; ADVOCATE/RESIDENCY

A. The Athens, Ohio-based OHIO UNIVERSITY COLLEGE OF OSTEOPATHIC MEDICINE (OU-COM) has linked with nine Chinese medical institutions to study the role of TCM in Western medical practice. Ohio University President ROBERT GLIDDEN, PhD describes the “focus of this partnership is to increase multinational cooperation in the study and practice of traditional Chinese medicine through affiliated research, education and scholarly activity.” The partner in China is the STATE ADMINISTRATION OF TRADITIONAL CHINESE MEDICINE OF CHINA. One project is expected to be an “authoritative textbook of traditional Chinese medicine.” A part of the package is elective rotations in China for OU-COM students. OU-COM is planning to include study of basic Chinese medicine concepts in its curriculum in 2001. Contact at OU-COM is Bruce Dubin, D.O., associate dean for information and planning (740) 593-2182.

B. New changes at the PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA. On July 1, executive director TRACY GAUDET, MD, and director of education RICHARD LIEBOWITZ, MD, will each resign. In a release, the two noted that it is their marriage plans rather than the program’s financial troubles (see New File # ) which prompted their resignations. Gaudet said she was brought in “as a start-up person” three years ago and is reportedly considering various offers from around the country. Gaudet’s hours and her $130,000 salary were each slated to be cut by one-fourth in PIM’s financial retrenchment following a $1-million short-fall due to a decline in contributions. Liebowitz, former head of UA’s internal medicine department, is reportedly considering a return to that position.

C. A one month elective in complementary medicine is now offered as part of the residency training at LUTHERAN GENERAL HOSPITAL in Chicago. The residency, noted in the March 2000 INTEGRATOR, will typically include four, half-days each week at the CENTER FOR COMPLEMENTARY MEDICINE sponsored by ADVOCATE HEALTHCARE and headed by DON NOVEY.

7. INTERNET: YOUR HEALTH/PHILLIPS RIFT, HEALTHSHOP BELLY UP, PLUS

A. A significant rift has opened between between YOUR HEALTH INC., supplier of CAM content for the HEALTHEON/WEBMD site and PHILLIPS INTERNATIONAL, whose content YOUR HEALTH intended to licensed for use on the site. Your Health had planned a $250 million purchase of Phillips’ health oriented publishing and vitamin sales business. According to court documents, Phillips is suing because Your Health has failed to make timely payments. Your Health is owned by the FOX GROUP, started by MARK FOX. Your Health’s agreement with HealtheonWebMD was to make a $50-million payment over five years to promote natural product sales. Reported by Reuters, April 24, 2000.

start-up for online natural products sales shut down its e-commerce operations on April 12, after burning through $30-million in investor cash. Among the losers was WARNER LAMBERT, which took a minority stake in the firm on in 1999. A discussion of the firm's demise in the May 2000 issue of Natural Business (www.naturalbusiness.com), “Healthshop.com's E-commerce Crashes,” attributes the failure to some poor management decisions but also to “an over crowded natural products sector.” The article notes the irony that e-commerce analyst JUPITER COMMUNICATIONS believed the “e-tailing” of natural products is poised for explosive growth with a $1.7 billion in sales by 2004. According to observers cited in the article, other “funerals” are expected.”

End
INDUSTRY/HEALTH News File #56, May 3, 2000

______________________________________________

INDUSTRY/HEALTH NEWSFILE #57, May 25, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. MIRAVAL SUMMIT FINDS LEADERS READY FOR MORE COLLABORATION
2. NCCAM: PLAN SEEKS (YOUR) COMMENT; NATURAL PRODUCTS WEIGH IN
3. BLUE SHIELD CA OFFERS FREE GUIDED IMAGERY PRE-OP TAPES
4. YOUR HEALTH INC. PURCHASES ASSETS OF INTEGRATIVE MEDICAL ARTS
5. STUDY LOOKS AT MEDICAID REIMBURSEMENT IN CAM FOR KIDS
6. FEDERATION OF STATE MEDICAL BOARDS: GUIDELINES ON INTEGRATION
7. LEADERSHIP SOUGHT AT ARIZONA PROGRAM
8. E-HEALTH: ONEBODY/CMPM, IMC/WISNESKI, PLUS NEW PRODUCTS
9. MCO AFFINITY PRODUCTS: OKLAHOMA BLUES, TROJAN HORSE STRATEGY

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com). John Weeks, Publisher/Editor.

(c) Integrative Medicine Communications 2000

______________________________________________

1. MIRAVAL SUMMIT FINDS LEADERS READY FOR MORE COLLABORATION

The Integrative Medicine Industry Leadership Summit at the Miraval Resort in Tucson, Arizona, May 18-20, produced strong interest in enhanced and ongoing collaboration from a vast majority of the diverse assortment of 75 CAM leaders present. The meeting, sponsored by THE INTEGRATOR and INTEGRATIVE MEDICINE COMMUNICATIONS, concluded with working sessions around key issues which were earlier identified by participants. In a pre-Summit survey, nearly 9 in 10 (86%) stated they believed that developing “exceptional collaborative abilities” was a core requirement for success in integrative medicine’s mission and business. An exit poll found significant interest among those involved in forming an industry association, participating in a national policy Summit and annualizing the meeting. (Over 90% said they would return were such a meeting held again.) An array of ad hoc working groups were established. Significant interest was also expressed in a federal educational campaign to significantly increase the federal dollars available for health services (“integrated medicine”) research in CAM. Supporting sponsors for the Summit include: ADAMS HARKNESS AND HILL, AMERICAN HOSPITAL ASSOCIATION, ALTERNATIVEDR.COM, ANGELA MICKELSON (H, L & B), AMERICAN SPECIALTY HEALTH, TRIAD HEALTH CARE, INNER HARMONY WELLNESS CENTER,
2. **NCCAM: PLAN SEEKS (YOUR) COMMENT; NATURAL PRODUCTS WEIGH IN**

A. The NIH NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE has posted its draft strategic plan on its website (http://nccam.gov). The draft will be open to public comment for a six week period. **COMMENT:** It would serve all of us in the payment and delivery community to push for elevated funding for “integrated medicine” and health services research grants.

B. A coalition of four natural products groups sent a May 9, 2000 letter to member of Congress requesting substantial increases in NIH NCCAM funds, from $68 in FY 2000 to $100-million in FY 2001. The coalition includes CONSUMER HEALTHCARE PRODUCTS ASSOCIATION (www.chpa-info.org), COUNCIL FOR RESPONSIBLE NUTRITION (www.crnusa.org), NATIONAL NUTRITIONAL FOODS ASSOCIATION, and the UTAH NATURAL PRODUCTS ALLIANCE. The group is also requesting a doubling of research funds in the OFFICE OF DIETARY SUPPLEMENTS, to $10-million. The coalition presents their interest as representing a $12 billion industry. Targeted were members of the US House and Senate Appropriations Subcommittee in Health, Labor, Education and Human Services.

3. **BLUE SHIELD CA OFFERS FREE GUIDED IMAGERY PRE-OP TAPES**

In one of the most significant moves for inclusion of mind-body programs by a managed care organization, BLUE SHIELD OF CALIFORNIA has initiated a pre-operative guided imagery benefit for all of its PPO members who are scheduled for one of 90 surgeries. BSCA’s director of mind-body product development, nurse practitioner DEBORAH SCHWAB, the firm's information system will “automatically kick out” information members scheduled for surgery to a “nurse health coach” manager. The nurse will contact the member, offering the tapes. All but those opposed -- “very few say no” -- will be sent a free guided imagery tape or compact disc to help them in preparing for their surgery. The program was developed subsequent to a literature review and recommendations from a multi-disciplinary team involving physicians from UCLA and UCSF. The team recommended, and BCCA uses, a well-researched 36 minute tape developed by BELLARUTH NAPARSTEK. [See NEWSFILE XXXX.] In the program, the nurse is also available should the member have follow-up questions. In a release on the innovative product, BRUCE BODAKEN, chairman and CEO, stated simply: “We are committed to meeting patients needs in mind body health.” This is the second significant mind-body move by the California organization. An “Imagine Health” program is a multi-visit offering through certificated guided imagery specialists approved by the INSTITUTE GUIDED IMAGERY, founded by MARTIN ROSSMAN, MD. Rossman’s group also recommend the Naparstek tapes. Asked about any cost dimension to the decision, Schwab, who formerly ran the firm’s Center for Health Enhancement, replied that “the actual program has little cost to it.” She added: ‘We’ll be looking at positive effects on length of stay and other clinical measures such as impact on medications and complications post surgery which have been found in some studies.” The firm, with 2 million members, plans to expand to use from the PPO to include Medicare and HMO members. 800-394-3516

4. **YOUR HEALTH INC. PURCHASES ASSETS OF INTEGRATIVE MEDICAL ARTS**

YOUR HEALTH, INC., the CAM content supplier for HEALTHEON/WEBMD has struck a deal with Beaverton, Oregon-based INTEGRATIVE MEDICAL ARTS to purchase the assets of the firm. IMA, founded by MITCHELL STARGROVE, ND, LAc, is known for its IBIS and Interactions CAM databases. IBIS is a pioneering product in the field, offering its database to providers since 1992. In the release, Your Health positioned itself as “creating the first global platform to deliver
predictive wellness care solutions” to consumers, providers, educators, regulators and payors. Terms were not disclosed. The purchase came in the wake of the breakdown in Your Health’s planned licensing agreement with PHILIPS PUBLISHING. (See May INTEGRATOR and News File # .) Philips claimed in legal papers that Your Health failed to make a $10-million payment toward a $250-million purchase price for Philips’ CAM and natural products operations.

5. STUDY LOOKS AT MEDICAID REIMBURSEMENT IN CAM FOR KIDS

A study from the UNIVERSITY OF MICHIGAN HEALTH SYSTEM has found that about a half a million dollars per state is currently being spent on CAM. The researchers used a phone survey involving a Medicaid reimbursement specialist in each of 46 states. Chiropractic is covered in 34 states (74%), biofeedback in 10 (22%), acupuncture in seven (15%), hypnosis in 6 (13%), naturopathy in 5 (11%). In at least two states, alternative providers can serve as an individual’s primary care provider. Five states mean that participation in Early and Periodic Screening, Diagnosis and Treatment allows access to alternative providers. Seven states expect expanded coverage in the next three years, with chiropractic, acupuncture and naturopathy the most common. However, the average amount spent is under $500,000 per fiscal year. Only 5 states (11%) had more than this amount. The authors suggest that future research should assess the amount of CAM used by Medicaid patients and their out-of-pocket expenditure, and then look at the nature or the intervention and quality of care. The study was headed up by DR. TERRENCE STEYER. Steyer presented the results May 13 at the joint meeting of the Pediatric Academic Societies and the American Academy of Pediatrics. Steyer plans to continue his research. Contact: Kara Gavin, kegavin@umich.edu, 734-764-2220; University of Michigan Health System

6. FEDERATION OF STATE MEDICAL BOARDS: GUIDELINES ON INTEGRATION

“FSMB to form guidelines on integrative care” in American Medical News. May 1, 2000. Page 11. Jay Greene. The FSMB defeated a motion to regulate non-physicians -- including midwives, chiropractors, acupuncturists as well as physicians assistants and optometrists -- at an April annual meeting. However, the FSMB has asked its “Special Committee on Questionable and Deceptive Healthcare Practices” to develop guidelines to help board deals with issues involving appropriate care. The FSMB will monitor expanding scopes of practice of PA, NPs and others. The board in Mississippi requested the FSMB to “seriously consider the limits of paraprofessionals practice of medicine and arrive at standards to be promulgate and distributed.” The FSMB decided that “regulation of non-physicians is inconsistent with our mission” according to WILLIAM FLEMING, M MD, FSMB’S past president.

7. LEADERSHIP SOUGHT AT ARIZONA PROGRAM

THE INTEGRATOR was contacted by personnel associated with the PROGRAM IN INTEGRATIVE MEDICINE at the UNIVERSITY OF ARIZONA with a request to notify News File readers that the Program “is restructuring its leadership positions and is seeking a high level executive administrator (MD or non-MD) to develop and execute a new administrative structure.” The Program is are “also seeking a Physician with clinical and academic experience in Integrative Medicine who has the enthusiasm and dedication to continue to develop PIM as a center of excellence in Integrative Medicine. An unconfirmed report from a source close to PIM is that VICTORIA MAIZES, MD, a former health promotion leader with KAISER PERMANENTE and a current fellow will become acting administrator for the program. Contact is Michelle Hardin, mnhardin@ix.netcom.com.

8. E-HEALTH: ONEBODY/CMPM, IMC/WISNESKI, PLUS NEW PRODUCTS
A. ONEBODY.COM has partnered with the CENTER FOR MIND BODY MEDICINE (CMBM) for online coverage of CMBM cancer care, according to a May 22 Business Wire release. The Internet firm had already noted its sponsorship of the annual cancer conference headed by CMBM’s JAMES GORDON, MD. Speaking for Onebody.com, the firm’s medical director, BRIAN BOUCH, MD, revealed that the partnership “is the first in a series of alliances designed to promote medically effective treatments for a variety of chronic conditions.” Gordon’s Comprehensive Cancer Care 2000: Integrating Complementary and Alternative Therapies, will be held June 9-11 in Arlington, Virginia. Those who sign up for the conference through onebody receive a 10% discount. www.cmbm.org or www.onebody.com.

B. INTEGATIVE MEDICINE COMMUNICATIONS has appointed LEN WISNESKI, MD, as director of the medical advisory board responsible for the firm’s research. Wisneski has served as medical editor of the firm’s flagship newsletter, Integrative Medicine Consult. He has been involved in the clinical practice of integrative medicine for the past 25 years. He has held positions as a medical director of MARRIOTT CORPORAION, medical education director at GEORGE WASHINGTON UNIVERSITY system. He was also medical director with a 24 practitioner AMERICAN WHOLEHEALTH clinic in Bethesda, Maryland. Other board members include: Kenneth Pelletier, PhD, MD, Stanford University School of Medicine, James Duke, PhD, Author, The Green Pharmacy, Kathi Kemper, MD, MPH, Children’s Hospital, Daniel Redwood, DC, Redwood Chiropractic and Wellness, and James Dillard, MD, DC, Oxford Health Plans.

C. On May 19, Portland, Oregon-based HEALTHNOTES launched a weekly CAM news service called Healthnotes Newswire. Editorial director will be MARIANNE BHONSLAY, formerly with FAIRCHILD PUBLICATIONS. Content each week will include: three articles, one hard news story, one feature, and one question-and-answer column for consumers by MICHAEL MURRAY, ND. Distribution will be handled through a content partnership agreement with ISYNDICATE whose other content providers include CNET, CBS SportsLine, RollingStone.com, and PC World.

D. CONSUMERLAB.COM has reported on 26 brands of vitamin C dietary supplements: 15% “either did not contain all of the claimed ingredient or failed to breakdown as needed for absorption in the body.” Results were no better with the companies which claim to meet US PARMACOPOEIA standards. Said TOD COOPERMAN, MD, president of ConsumerLab: “The findings raise the question of a false general sense of security among consumers regarding vitamin C products and USP labeling.”

E. MICROMEDEX has introduced a new herbal interactions product, called AltMed-REAX(TM), an herbal database written for consumers. BARBARA FURHMAN is the product manager for the complementary and alternative medicine series at MICROMEDEX. The May 23 PR Newswire release. www.micromedex.com

F. RICHARD LIPPIN, MD, medical director for EARTHMED.COM, reports speaking twice recently at the national AMERICAN OCCUPATIONAL HEALTH CONFERENCE in Philadelphia. He finds the specialty “less resistant than others to CAM.” EARTHMED also recently took a prominent role in an AARP meeting in Florida. Met May 12-19, AMERICAN COLLEGE OF OCCUPATIONAL AND ENVIRONMENTAL MEDICINE.

9. MCO AFFINITY PRODUCTS: OKLAHOMA BLUES, TROJAN HORSE STRATEGY

A. On May 19, BLUE CROSS BLUE SHIELD OF OKLAHOMA launched “NaturalBlue,” a new affinity product through AMERICAN SPECIALTY HEALTH NETWORKS. Providers will only be available in the Oklahoma City- and Tulsa-metro areas. Said RODNEY HUEY, BCBSOK corporate medical director. “Alternative medicine is something our members have been asking about, and this program gives them access to those services.” The products resembles others offered by ASHN.
B. A discussion of the pros and cons of discount affinity products at the Integrative Medicine Industry Leadership Summit May 18-20 presented the possibility that affinity programs may will be a sort of “Trojan Horse strategy” for moving CAM into covered benefits. Discussant ROBERT STERN, DC, with ANTHEM HEALTHCARE, laid out the gauntlet of health plan interests and protectors which must be met prior to initiating any new covered program. The affinity products were described by others as extremely easy, relatively, to gain approval. Resulting health plan press releases tend to include strong statements from plan executives regarding the value of CAM to their members’ interest in health. Then, once in place, health plans begin to get requests from employers for actual covered benefits. At least one major player states that every plan with an affinity program has now come back about developing covered benefits. Many agreed that moving directly to covered benefits would be a much slower process.

End: NewsFile #57, May 25, 2000

INDUSTRY/HEALTH NEWS FILE #58, May 30, 2000

A Service for the INDUSTRY/HEALTH Subscriber

1. INTEGRATIVE CLINICS: MODERN HEALTHCARE FEATURE, BETH ISRAEL NYC
2. ACA GAINS TWO APPOINTMENTS
3. NATUROPATHIC PHYSICIANS: TWO SIGNIFICANT CHANGES
4. CAM NETWORKS: ASHP DEVELOPMENTS; NETWORK LEADERS IN APPOINTMENTS
5. AHPA MEMBERSHIP MAY BE INDICATOR FOR NATURAL PRODUCT QUALITY
6. GLOBAL PERSPECTIVE: SAVINGS FROM CAM? SEEMS TO WORK IN BANGKOK
7. MISCELLANEOUS: CREDENTIALING WORKSHOP

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

1. INTEGRATIVE CLINICS: MODERN HEALTHCARE FEATURE, BETH ISRAEL NYC

A. The May 15, 2000, issue of “Modern Healthcare” offers a cover feature entitled: “Alternative Profits: Cashing in on complementary medicine.” This report, by ELIZABETH THOMPSON, the magazine’s CAM reporter -- while offering little new to INTEGRATOR readers -- provides the first realistic treatment in the mainstream industry media of the challenges in accessing that “cash.” The changes at AMERICAN WHOLEHEALTH and the failure of the CATHOLIC HEALTHCARE WEST initiative in Phoenix are both described. “Providers that start small and forge physician alliances could tap into rising consumer spending on unconventional therapies” is the stated editorial line. A companion article in the same issue, also by Thompson, looks at some coverage issues. Thompson reached a number of CAM providers for commentary, including representatives of the AMERICAN MASSAGE THERAPY ASSOCIATION, the AMERICAN ACADEMY OF MEDICAL ACUPUNCTURE and BASTYR UNIVERSITY. Repeatedly cited in the article are LINDA BEDELL LOGAN of SOLUTIONS IN INTEGRATIVE MEDICINE, Chicago-based consultant KEITH SARICH, and THE INTEGRATOR.

B. Thompson, in her “Modern Healthcare” article on integrative clinics, leads with the title of ERNEST SCHUMACHER’S 1973 book, “Small is Beautiful.” Bucking this tide is the new 13,000 square foot BETH ISRAEL-CONTINUUM PARTNERS clinic led by WOODSON MERRELL, MD, on 28th and Fifth in downtown Manhattan. The beautifully-appointed clinic will eventually have 10 integrative MDs and eight (8) CAM providers, 2 nurses and 4 medical/practice assistants. They
will work 8 consult rooms, 6 therapy rooms and 8 exam rooms. An undulating design of the ceiling and to an entrance hallway with a flooring featuring a parquet design with increasingly large individual sections -- "to create the perception of slowing down time" -- are among the Feng Shui-guided touches to transition the typically hyped-up New Yorker patient into the clinic's second floor healing environment. The CENTER FOR HEALTH AND HEALING has already gained a great deal of exposure. Merrell, with two decades of CAM practice on Manhattan's pricey Upper East Side, was selected as one of the top 50 New Yorkers of 1999 by "New York" magazine. Merrell will split his time between his historic practice and the Beth Israel site. Construction delays pushed a planned May 15 opening until sometime in June or July. Provider salaries will be incentivized, but will start with a "hospital guarantee based on 1999 income," Merrell told THE INTEGRATOR. His clinical and economic strategy is to bring in providers who, like himself, who already have busy practices. The clinic is a university hospital for ALBERT EINSTEIN COLLEGE OF MEDICINE. Securing the deal, thus far, has been Merrell's magic touch with fund-raising. He's raised over $7-million, to not only cover capital costs but also underwriting a planned three year schedule toward break-even. Among the other medical clinicians are BEN KLIGER, MD, a leader with the CAM effort inside the SOCIETY OF TEACHERS OF FAMILY MEDICINE, and LEWIS MEHL MADRONA, MD, an author-lecturer and long-time CAM player who was most recently with the integrative medicine program at the UNIVERSITY OF PITTSBURGH HEALTH CARE. Manager is BARBARA GLICKSTEIN, RN. Many view the Beth Israel initiative as the gemstone in the integrative medicine movement. 212-387-6800

2. ACA GAINS TWO APPOINTMENTS

A. The AMERICAN CHIROPRACTIC ASSOCIATION announced on May 11 what to them was a successful conclusion to an eight year effort: WILLIAM MORGAN, DC, will begin practicing in the health care offices of the nation's Capitol. The work was initiated by JEROME MCANDREWS, DC, when he was head of professional affairs for the ACA. McAndrews is an INTEGRATOR advisor. Morgan was active in the DEPARTMENT OF DEFENSE CHIROPRACTIC MILITARY DEMONSTRATION PROJECT. (800) 986-4636

B. For the first time, following extensive lobbying from the ACA, MILLIMAN AND ROBERTSON has agreed to but an ACA clinical advisor on the firm's guidelines assessment team. M&R is well known for its controversial hospital stay guidelines. The appointment grew out of complaints to the ACA from Ohio chiropractors and was negotiated by PAT JACKSON who heads professional affairs for the ACA.

3. NATUROPATHIC PHYSICIANS: TWO SIGNIFICANT CHANGES

A. The board of directors of the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS (AANP) has elected to move the association’s headquarters to Washington, DC, from Seattle, Washington, where it has been headquartered since 1989. The move is anticipated to take place as early as July 2000. The AANP board, led by Helena, Montana practitioner NANCY AAGENES, ND, LAC, also selected a management strategy in which Beltway-based ASSOCIATION MANAGEMENT GROUP will handle AANP activities through a four person team. The executive director for AANP business will be jointly selected by the two organizations. The AANP, founded in 1986, has led the internal standard setting in the naturopathic profession. 206-298-0126

www.naturopathic.org

B. A challenge based on an obscure technicality in the US DEPARTMENT OF EDUCATION regulations on accrediting bodies may remove the "gatekeeper status" from the COUNCIL ON NATUROPATHIC MEDICAL EDUCATION (CNME). CNME, recognized by the DOE since 1987, has been under attack by individuals and organizations which stand to lose if the naturopathic medical profession, led by the AANP, continues to expand licensing. The opponents of the AANP
and CNME, are led by CLAYTON SCHOOL in Alabama, which offers a mail-order program to get a certificate as a “Doctor of Naturopathy.” Clayton certificates are meaningless in states where the profession is regulated. The AANP has taken a public position that while loss of recognition is being formally being challenged, the DoE’s ultimate decision will not be crucial for the organization since all of the four naturopathic schools also have candidate or formal accreditation status through DOE-recognized regional accrediting bodies.

4. CAM NETWORKS: ASHP DEVELOPMENTS; NETWORK LEADERS IN APPOINTMENTS

A. A corporate letter to selected industry members from San Diego-based AMERICAN SPECIALTY HEALTH PLANS provides useful information on the single largest economic force in the CAM network industry and one of the most powerful influencers of CAM coverage trends.

-- The firm has officially changed its name to AMERICAN SPECIALTY HEALTH, INC.
-- Data points: $75.6 million in 1999 revenues, up from $70-million in 1998. The figure is somewhat off the $80-million projection in the INTEGRATOR benchmarking survey.
-- 24-million plus lives, with 10-million new -- mostly affinity -- added in the 7/99-7/00 period: 5.2 million are managed benefits, 7.0 million unmanaged network access and 16.5 million discount.
-- The firm’s Internet/catalog mail-order programs now reach 14 million.
-- Roughly 20 health plan clients will have been added between 7/99 and 7/00, bringing the firm’s total to about 50 nationwide.
-- Total employment is over 500. (Note: As a reference, this figure roughly doubles the total employees in all the other CAM networks combined, according to INTEGRATOR benchmarking data.)
-- The firm has begun piloting an “extranet” program with providers at an East Coast health plan. (THE INTEGRATOR will take a look at this extranet service for an upcoming Newsfile)

B. Two appointments of note to the industry: CHUCK SIMPSON, DC, a co-founder and clinical director for chiropractic for COMPLEMENTARY HEALTHCARE PLANS, has been chosen to serve on the medical advisors’ committee for the AMERICAN ASSOCIATION OF PREFERRED PROVIDER ASSOCIATIONS; and DOUG METZ, DC, vice president of health services for American Specialty Health is a member of the Standards Committee for the AMERICAN ACCREDITATION HEALTH CARE COMMISSION/URAC.

C. CLYDE JENSON, PHD, president of NATIONAL COLLEGE OF NATUROPATHIC MEDICINE, has been appointed to a board position with Complementary Healthcare Plans. Both organizations are based in Portland, Oregon. Jenson, a strong promoter of collaborative pathways to advancement, is the only individual to have served as president or in a senior executive position at schools of osteopathic, allopathic and naturopathic medicine. A May 1, 2000, release from CHP, includes a statement from Jenson that he views the position as “intriguing” for the “synergies possible between (CHP) and NCNM and its affiliates.” (Note: JAMES WINTERSTEIN, DC, president of NATIONAL COLLEGE OF CHIROPRACTIC MEDICINE, is precedes Jenson as a CAM college president on a CAM network board. Winterstein is a board member of Chicago-based ALTERNATIVE MEDICINE, INC.

5. AHPA MEMBERSHIP MAY BE INDICATOR FOR NATURAL PRODUCT QUALITY

This brief provides support for one possible credentialing standard for botanical suppliers: member in AMERICAN HERBALS PRODUCTS ASSOCIATION (AHPA), the leading industry association. For 15 years, AHPA the worked to create and self-regulate on quality standards and ethics guidelines in that industry. A recent journal article which was critical of manufacturers of ephedra-containing supplements provoked AHPA to explore how its member firms compared to other firms. AHPA found that 100% of its members were above the 80% of label claim guideline.
In a May 19 PR Newswire account, AHPA stated: “All of the AHPA manufactured products were found to be well within this legal range.” The journal article, by WILLIAM GURLEY of the COLLEGE OF PHARMACY at the University of Arkansas for Medical Sciences and is due to be published in the May, 2000 issue of the American Journal of Health-System Pharmacy.

6. GLOBAL PERSPECTIVE: SAVINGS FROM CAM? SEEMS TO WORK IN BANGKOK

A report in the Bangkok Post (April 3, 2000; Source: World Reporter (TM) – Asia Intelligence Wire) states that the use of herbal drugs is saving money and helping local incomes. A 20 year old program in herbal medicines is now earning up to 849,000 baht of sales each year, over half to other hospitals. A quarter of the returns go to villagers who grow the herbs which are turned into 33 types of ointments. Use of herbs has reduced dependence on Western medicines by 15% according to DR YUTHAPON SRIMONGKUL, hospital director at WANG NAM YEN HOSPITAL. Use of herbs began “in 1992 when traditional healing was not well accepted in the field of modern medicine. 94 million baht total spent on drugs). The herbs were recently added to the government’s list of approved drugs. The program began as a way to get medicines to people who were distant from Western treatment, but “currently most patients, particularly those seeking treatment for things like muscular pain, backache and digestive problems, are asked whether they want to try a herbal medicine before they are treated with modern medicine.” 15% of the patients treated at the hospital “permanently opt for traditional medicine.” Massage is noted as the most popular. 15 other hospitals are now using herbs. Traditional healers, though not recognized by law, reportedly work routinely with hospital staff. Now 75% of the residents in the province grow herbs which they sell to hospitals.

7. MISCELLANEOUS: CREDENTIALING WORKSHOP


B. The AMERICAN BAR ASSOCIATION has established a new Committee on Complementary and Alternative Medicine Law. MICHELE FORZLEY, JD, chair, is working on an ABA CAM program scheduled for 2001. Forzley, who is in the process of developing her own business website at www.alternativemedicine-law.com, edits the ABA’s International Health Law News. The committee is a subcommittee of the ABA International Health Law Committee. 781-334-0031, or mforzley@tiac.net

C. In a meeting notice on it’s AMERICAN OCCUPATIONAL HEALTH CONFERENCE in Philadelphia, May 12-19, the AMERICAN COLLEGE OF OCCUPATIONAL AND ENVIRONMENTAL MEDICINE proudly noted that it’s 1994 day-long session on CAM was the first for any specialty group. The organization’s subsequent publication of an official position paper was also a first. www.acoem.org

D. Yet another significant shift in business for COMPLETE WELLNESS CENTERS (CMWL) is evident in the firm’s first quarter reports. The firm now has just 40 active, contracted centers, down from 81 a year ago. Net losses were at ($397,000) on $2,319,000 of revenues, versus ($51,000) on $4,580,000 a year earlier. The firm originally reported profitability in the first quarter of 1999. A release from the firm states that “discontinuation of the relationship with the clinics requires additional provision for bad debts and adjustments to fees accrued for the management of the exiting clinic.” www.completewellness.com

E. Applications of HEARTMATH in the corporate environment is prominently featured in the May 2000 issue of TRAINING MAGAZINE. Some employers are successfully measuring a pay-
1. CORRECTION: $5 MILLION/YEAR NCCAM "INTEGRATED MEDICINE" FUNDS

A recent News File reported that the NIH NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE was issuing its first “Integrated Medicine” grants. Information on the “concept paper” for this grant was handed out to attendees of the INDUSTRY/HEALTH breakfast in April at the NMHCC with a note that the total was just $500,000 a year, or 7/10 or 1% of NCCAM’s $70-million. A recent meeting with NCCAM advisory member KONRAD KAIL, ND, informed me that some ambiguous language in the concept paper is to be understood that $500,000 PER PROJECT PER YEAR, rather than for all projects, will be available. For those wishing to see the ambiguity, the statement read: “Seven to ten projects costing, on average, $500,000, total, per year for up to four years.” With EACH project at $500,000 per year, the total could run to $5 million each year. ANITA GREEN, communications officer for NCCAM, confirmed the $5 million as NCCAM’s meaning. So, my sincere apologies -- and get to work on your grant writing! Information at: http://nccam.nih.gov/nccam/fi/concepts/jan2000/integrated.html -- JW

2. HIGHMARK/ORNISH NATIONAL ROLLOUT: NATIONAL DIRECTOR NEEDED

HIGHMARK BLUE CROSS BLUE SHIELD, the only insurer who not only covers but offers the program developed by DEAN ORNISH, MD, for reversing coronary artery disease, has linked with Ornish’s business arm, Sausalito, California-based PREVENTIVE MEDICINE RESEARCH INSTITUTE, to create a new business. The new firm, LIFESTYLE ADVANTAGE, will promote the Ornish programs nationwide. The unusual business alliance, which is expected to be formally announced later this month will be headed by ANNA SILBERMAN, the Highmark vice president who has been responsible for developing the Ornish offering inside of the Highmark system. Highmark estimates that the insurer saves $16,000 one every individual who uses the program. (See report in the March INTEGRATOR.) Silberman, a discussant at the recent Integrative Medicine Industry Leadership Summit co-hosted by THE INTEGRATOR, shared the new firm’s
need for a national marketing director to market and sell the Ornish program to both health care organizations and payers nationwide. 412-544-5221

3. EMPLOYERS: TWO CAM BENEFITS; “DEFINED CONTRIBUTIONS,” PLUS

A. EMPLOYEE BENEFIT NEWS April 15, 2000 feature on CAM benefits portrays benefits from two Arizona employers. Each strongly support their CAM products. MESA CITY offers, for the past 10 years, a self-administered plan with direct access to practitioners of acupuncture, chiropractic, naturopathy, homeopathy and massage therapy. Benefits coordinator DONNA SALEMI is quoted as stating that the employees "really like our plan" and that premiums have not been raised for 8 years. She views the plan as "a recruiting tool." At YAVAPAI COLLEGE, a "Naturopathic Plan" for students at YAVAPAI COLLEGE in Prescott offers a $600 lump sum which can be used for discounted services in a similar range of CAM services. RANDY GLAZER, human resources director notes that faced with recent choices aimed at cost cutting, one of which was diminished CAM services, Glazer states that the response was overwhelming: 'Don't touch my naturopathic plan.'

B. E-SURVEY: QUICK MOVE TO DEFINED BENEFITS ANTICIPATED

Many CAM leaders believe that CAM will become more available as a covered benefit under "defined contributions.” An INTEGRATOR report on the topic will run in the July-August issue. MANAGED CARE ONLINE (www.mcol.com) released on May 23, 2000, preliminary findings of an online "Defined Care Survey" which casts light on perspectives about how quickly the system will move toward "Defined Care" -- the health care system which will emerge following expansion of "Defined Contributions" by employers. Under defined contributions, employees are anticipated to have much broader choice of plans, through information posted on the Internet. Most visitors to the MCOL site believed that Defined Care will be “adopted more quickly than industry experts are predicting” (64% believe less than five years), and employers are "the most optimistic sector" and "eager for adoption. Roughly 80% of the respondents believe that managed care will play a continuing important role in Defined Care. The number was 100% for employers. Interestingly, 100% of the employers believe that "the entire health care system will change as defined contributions become more widespread," while only 57% of all respondents (including employers) agree. The total numbers in the survey were not disclosed, implying small numbers. Only 5.7% represented employers. www.definedcare.com to view the results or be surveyed.

C. NEW E-HEALTH BENEFITS FIRM IN HEALTHECARE.COM SPACE

News File #55 featured the new Internet-based benefit scheme, with an apparently strong CAM component, HEALTHECARE.COM. A second Minneapolis-based e-health start-up which is in the same niche is VIVIUUS.COM. The firm plans its first pilot in Kansas City starting September 1, 2000. The firm has secured $11.5-million in investments. According to a May 15, 2000, article in "American Medical News," which also looked at Healtheare.com, the firm will “ask employees to pick their own providers and build their own health care system.” The business models for both e-businesses are based on a percentage of the fees to providers. While Healtyhecare.com announced its business with reference to CAM, Vivius was quiet on the subject. Contacted by THE INTEGRATOR, the firm’s medical director, LEE NEWCOMER, MD, stated: “Our customers could use the funds in their healthcare spending account to pay for alternative medicine treatments if they desire.”

D. INTERNET TO BE USED INCREASINGLY BY EMPLOYERS

A recent survey from benefits consultant WATSON WYATT WORLDWIDE, reported in "American Hospital News” (May 26, 2000), found that 63% of survey respondents said they plan to make greater use of the Internet to help cut costs. Roughly a third (32%) said they would cut costs an
old fashioned way: offering employers fewer health plans. The employers believe that while they are assisting they are increasingly asking their employees to share administrative responsibility, they are trying to provide support in navigating the system: 74% said they help their employees navigate the health care delivery system, 72% provide a benefits comparison of plans offered, and 51% provide decision support.

4. CONSUMERS: ANESTHEIOLOGISTS’ CONCERN ABOUT SUPPLEMENTS

A report to be presented at the WORLD CONGRESS ON ANESTHESIOLOGY revealed that seven in 10 surgery patients who were taking herbal supplements failed to tell their doctors when asked. The report was led by ALAN KAYE of TEXAS TECH UNIVERSITY SCHOOL OF MEDICINE and involved 752 patients. The researchers raise concerns over contra-indications and adverse effects, pointing to the possibility to “bleed to death, have a lethal arrhythmia or a stroke because they don’t know the importance of these things,” in Kaye’s words. The study was reported in the May 30, 2000, issue of USA Today. “We can’t tell people to stop taking them,” Kaye colleague Raj Sabar says. “If you want to take them, that's your choice, but we should be told.” The American Society of Anesthesiologists has taken a stronger position. The professional organization recommends that patients stop taking herbal supplements two to three weeks before surgery.

5. GOVERNMENT ACTION: CHIRO IN STATE SCHOOL, TENN ACU LICENSE

A. The COLLEGE OF HEALTH AND HUMAN SCIENCES at FLORIDA STATE UNIVERSITY plans to offer a chiropractic medicine program beginning in the fall semester of 2001. A $1-million appropriation by the legislature underwrites the program, which will have up to 100 first year students. Enrollment at the program will be capped at 500. This fund follows a $2-million endowment of funds from the LINCOLN CHIROPRACTIC COLLEGE EDUCATIONAL FOUNDATION and the FLORIDA CHIROPRACTIC ASSOCIATION which underwrites a chair in chiropractic and biomechanical research. Supporters view the new program as an exceptional opportunity to become a major center for chiropractic research. Primary backer of the initiative is representative DENNIS JONES, DC, speaker pro tem of the Florida House. Term limits force Jones to step down this year.

B. On May 9, 2000, Tennessee governor DON SUNDQUIST signed into law licensing for acupuncturists in his state. The legislation is heralded as a breakthrough legislative approach by supporters of recognition of acupuncture detoxification specialists (ADSes). ADSes are typically non-acupuncturists who are addiction professionals who learn a limited ear needling protocol. The AMERICAN ASSOCIATION OF ORIENTAL MEDICINE has opposed this separate category while the NATIONAL ACUPUNCTURE AND ORIENTAL MEDICINE ALLIANCE has supported this recognition. The Tennessee law expressly includes a “sublicensing category” for ADSes. Source: “Guidepoints: Acupuncture in Recovery,” May 2000.

6. VALUE OF INTEGRATIVE STRATEGIES IN PEDIATRIC PAIN, IRRITABLE BOWEL

Two recent editions of the weekly IntegrativMedicine Alert from INTEGRATIVE MEDICINE COMMUNICATIONS have highlighted new clinical research which supports integrative approaches. One looked at integrative approaches to PEDIATRIC, finding that “bringing alternative and pharmacological approaches together to manage pain in children can reduce the need for medication.” Therapies include mind-body therapies and physical therapies, including acupuncture. (Source: Rusy LM, Weisman SJ. Complementary therapies for acute pediatric pain management. Pediatr Clin North Am. 2000;47(3):589-599.) The irritable bowel study looked at medical treatment alone versus medical plus various behavioral therapies: “Combination-therapy patients showed a stable and significant reduction of IBS symptoms and an

7. HMO/CAM AFFINITY PRODUCTS: PCW/ASHN, ANTHEM, BCBSMI/LANDMARK

A. PACIFICARE OF WASHINGTON has inked a deal with AMERICAN SPECIALTY HEALTH NETWORKS under which the firm will utilize ASHN's acupuncture, massage and acupuncture networks in Washington state according to an ASHN June 1 release on BW Healthwire. Pacificare, which must comply with the state's 1995 "every category of provider" mandate, had originally responded through development of a limited, internal network of CAM providers. PCW offers managed care plans to more than 150,000 state and federal employees, employer group sponsored members and Medicare beneficiaries in 10 counties in the state. For ASHN contact Kristin Harms at 800/848-3555.

B. On May 30, Indianapolis-based ANTHEM BLUE CROSS AND BLUE SHIELD finally announced it's new CAM offering through AMERICAN WHOLEHEALTH and the firm's majority-owned subsidiary WHOLEHEALTHMD.COM. The product, called "Complementary Blue," is positioned as an internet-based program which gives Anthem's 6 million members "access to information about a variety of complementary and alternative medicine products and services." Anthem calls it "one of the first of several new e-business capabilities the company is introducing to its members, providers and employer groups." The program will be available to all Anthem members, but on an individual basis. Plans in Connecticut, Ohio and Indiana will initiate use in late June. CAM networks of CAM providers are part of the product in some states and are will be developed in others. ROBERT STERN, DC, the firm's medical director for CAM, positions the products as "an extension of our other health and wellness programs."

C. BCBS MICHIGAN kicked off its CAM discount, through LANDMARK HEALTHCARE and MOTHERNATURE.COM with a June 1 release. The product, noted here in the XXX New File, is positioned by the plan's corporate medical director THOMAS SIMMER as all about choice: "At Blue Cross Blue Shield of Michigan, choice is really important. We are very happy to expand the range of choices for our members." Simmer called it "essential that members discuss use of complementary treatments with their physicians, especially in cases of known medical conditions." The firm was not clear on its strategy for ensuring communication in this non-covered product. Landmark positions its firm as serving "more than 10 million members nationwide." For the Blues plan, 313-225-8113.

8. MISCELLANEOUS: BURTON/CANCER, HEALTHGATE/INTEGRATIMEDICINE

A. CONGRESSIONAL COMMITTEE CANCER HEARINGS LOOK AT REIMBURSEMENT

DAN BURTON (R-IN) announced on June 2 that his CONGRESSIONAL REFORM COMMITTEE will hold hearings on "Cancer Care for the New Millenium" June 7-8. The hearings will focus on pediatric cancers, racial disparity in cancer treatments, and reimbursement issues related to CAM in an oncology setting, and natural product drug development using natural products. Represented in a panel on "Integrative Oncology - A Public Perspective" on the first day will be some patients, plus representatives of GEFFEN CANCER CENTER, CANCER TREATMENT CENTERS OF AMERICA and AMERICAN SPECIALTY HEALTH PLANS.

B. The information from 300 medical journals supplied by HEALTHGATE DATA CORP. to hospitals and health systems, and through its www.healthgate.com website, will soon be
supplemented with CAM information from Newton, Massachusetts-based INTEGRATIVEMEDICINE according to a June 1 release from the firm. Healthgate, which positions itself as “a leading provider of quality e-Health Internet solutions for hospitals and enterprises,” seeks to work with hospitals to increase the interactivity of their websites and “create e-health communities by developing closer relationships between their constituents.” Among the clients for the firm’s materials, which includes BLACKWELL SCIENCE, LTD, is FSPNETWORK. The firm describes IntegrativMedicine’s database as incorporating “information for more than 630 conventional drugs—integrated with information about their herb and supplement interactions and nutrient depletions—supplemented by weekly, scientific news feed and automatic updates.” Contact Gary Abrahams at 781-685-4000.

End, New File #59, June 5, 2000

INDUSTRY/HEALTH NEWS FILE #60, June 14, 2000

1. CALIFORNIA ACUPUNCTURIST LEADERS MOVE TO FORM UNION
2. INPATIENT INTEGRATION: PUBLIC HEALTH/ACUPUNCTURE, CAM/OPEN HEART
3. INTEGRATIVE CLINICS: NEW DATA, IOWA SYSTEM, MEMORIAL SLOAN KETTERING
4. ONEBODY.COM ANNOUNCES $10,000 PRACTITIONER GRANT PROGRAM
5. CAM MALPRACTICE PROVIDERS: FINANCIAL DIFFICULTIES?
7. MISCELLANEOUS: SOCIOMETRIRCS/CA,M DATABASE, ALTERNATIVE/LINK/SCANLAN

A Service for the INDUSTRY/HEALTH Subscriber

VACATION MESSAGE: I will be out of the office and away from work from June 19-July 4 on a family vacation. I will NOT be looking at e-mail or listening to voicemail. I/H #61 well me mailed after my return. Enjoy the remainder of June! -- John Weeks

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and Integrative Medicine Communications (onemedicine.com).

(c) Integrative Medicine Communications 2000

1. CALIFORNIA ACUPUNCTURIST LEADERS MOVE TO FORM UNION

California is known for the minute divisions between its myriad acupuncture organizations. On June 2, leaders of 25 of the state’s acupuncture organizations agreed on one thing: together they approved a set of bylaws and created the NATIONAL GUILD FOR ACUPUNCTURE AND ORIENTAL MEDICINE. The focus of the effort is to gain clout both with managed care organizations and with legislators. Organizers believe they have a chance to sign up a high percentage of the state’s 7,000 acupuncturists, and a like number from across the country. Source: June 8, 2000, San Francisco Chronicle. Among the leaders I LLOYD WRIGHT, LAC, a Palo Alto-based practitioner, who reportedly states: “Insurance companies are telling these guys how to practice medicine, and cutting their fees to unmanageable levels. Maybe medicine had some fat to cut in the 1980s, but acupuncture has no fat to cut whatsoever. BOBBY PENA, a spokesman for the CALIFORNIA ASSOCIATION OF HEALTH PLANS is quoted as stating that 15 of the organization’s 36 members (41%) offer some acupuncture coverage, while some others offer discounts. The goal initially is not collective bargaining but a higher profile in dealing with legislators and managed care companies. The acupuncturists also believe that the formation of the union may give them greater access to the AFL-CIO’s 13 million members. GEORGE WEDEMEYER, an acupuncture activist from San Francisco who is active in his own union who has led organizing to push that city’s mainstream delivery system toward including acupuncture has been a principal in the campaign. His goals are lofty: “What we want to do now is get
federal employees covered for acupuncture, and then we'll be going after Medicare.” ALAN ELNICH, an organizer with the OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION is taking a leading role in setting up the union. Podiatrists and social workers have earlier formed guild relationships with Elnich’s union. President of the new Guild is Torrance, California-based TED PRIEBE, LAc. Dues will reportedly be around $90.

2. INPATIENT INTEGRATION: PUBLIC HEALTH/ACUPUNCTURE, CAM/OPEN HEART

A. SAN FRANCISCO PUBLIC HEALTH AND ACUPUNCTURE: INPATIENT ADVANCES

A March report of the Integrative Therapies Committee of the COMMUNITY HEALTH NETWORK OF SAN FRANCISCO notes that five medical doctor physicians have been granted privileges at SAN FRANCISCO GENERAL HOSPITAL. These physicians are providing acupuncture care to inpatients on an acute care basis. CHN has also credentialed licensed acupuncturists to provide services, through federal RYAN WHITE funds, at tow community clinics. The Committee recommends that licensed acupuncturists, “should be considered for hiring,” or contracting, for DEPARTMENT OF HEALTH positions. These licensed providers would be able to deliver acute, inpatient care under direction of physicians, in the Committee’ recommendation. As with many start-up programs, services are limited to acupuncture: the Committee recommends against moxibustion, cupping, scraping and herbal medicine. However, the Committee also recommends that no limits be place on the type of condition treated. The Committee acknowledges that the move into inpatient services is “breaking new ground and gives rise to numerous complexities.” Information was made available to THE INTEGRATOR by GEORGE WEDEMEYER, vice president for legislative affairs with the AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES/AFL-CIO, Local 2391. For Wedemeyer: 415-744-5590, x 239. For CHN, contact MELISSA WELCH, MD, CHN’s chief medical officer, at 415-206-2376.

B. CEDARS-SINAI STUDIES CAM COMPLEMENTS TO OPEN HEART SURGERY

The movement of complementary therapies into hospital delivery may get a boost from new studies at Los Angeles-based CEDARS-SINAI. Cardiothoracic surgeon GREGORY FONTANA, MD, is heading up three pilot studies which will evaluate the effects of acupuncture, massage therapy, and guided imagery on stress and pain in patients after open-heart surgery. A chief outcome will be patient satisfaction. The studies on acupuncture and massage therapy are reportedly in the final stages, while the study on guided imagery is now underway. Cedars-Sinai has a small CAM clinic led by MARY HARDY, MD. (See May 2000 INTEGRATOR.)

3. INTEGRATIVE CLINICS: NEW DATA, IOWA SYSTEM, MEMORIAL SLOAN KETTERING

A. CLINIC BUSINESS DATA TO BE POSTED

Outcomes of a “Business Model Survey for Integrative/Complementary/Alternative Practices” is expected to be web-posted later this month. The survey organizers are attorney MICHELE FORZLEY (781-334-0031) and licensed psychologist LYNN CAESAR, PhD. Forzley heads the nascent AMERICAN BAR ASSOCIATION CAM group. The project is being coordinated through an unusual local associated called THE INTEGRATED MEDICINE NETWORK, a communication forum for diverse integrative medicine interests in the Boston/Cambridge area. The results of the 16 question survey will be summarized and presented at the monthly meeting of the IMN on June 21, 2000 at 7:30am at the MARINO CENTER and posted at www.marinocenter.org/imn.htm and at Forzley’s site, www.alternativemedicinelaw.com within a few days of the presentation.

B. METHODIST AND LUTHERAN SYSTEM: IOWA CLINIC
The CENTER FOR HEALTH AND WELLBEING is the name of the West DesMoines, Iowa-based integrative clinic that is part of the IOWA METHODIST MEDICAL CENTER and IOWA LUTHERN HOSPITAL systems. Therapies include acupuncture, relaxation, massage, movement therapies, visualization and herbs are among the 26 distinct CAM services provided. Prevention, individualization and patient involvement are emphasized, according to a clinic brochure provided THE INTEGRATOR by SHEILA REGAN, BSN, MA, the clinic’s administrative director. GEORGE DRAKE, MD, is medical director. Both cash and third party payments are accepted. As it true with a significant percentage of health system, facilities, chiropractic is not included. 515-440-6246

C. The integrative program at MEMORIAL SLOAN KETTERING CANCER CENTER, founded in the spring of 1999, now offers CAM services in three locations. A minimalist inpatient offering is music and art therapy, offered to all cancer inpatients at no additional charge at MEMORIAL HOSPITAL. The site of most chemotherapy treatments, the system’s ROCKEFELLER OUTPATIENT PAVILION, gives patients and their families access to a broader array of treatments, including: meditation, massage, relaxation and guided imagery, all paid by the patients. The system’s new INTEGRATIVE MEDICINE OUTPATIENT CENTRE, opened last November, includes diverse classes in such therapies as Tai Chi, yoga, chanting and acupuncture. The class sessions run $10. Director of the program is author-researcher BARRIE CASSILETH, PhD. Source: “If CAM can make it there,” by Eleanor Berman, April 17, 2000, Onebody.com.

D. COUNTRY DOCTOR CLINIC: NO FUNDING FOR NATUROPATHIC PHYSICIAN

WILLIAM WULSIN, ND, LAC, a naturopathic physician, acupuncturist and past clinical faculty member at BASTYR UNIVERSITY, has resigned his long-time volunteer clinical position with Seattle’s COUNTRY DOCTOR COMMUNITY HEALTH CENTERS. Funds to sustain his work were not prioritized by the public health network, according to Wulsin, a long time pot-smoking and sing-along buddy of INTEGRATOR publisher-editor John Weeks. 206-461-4503

4. ONEBODY.COM ANNOUNCES UNUSUAL PRACTITIONER GRANT PROGRAM

ONEBODY.COM, the website sibling organization to CONSENSUS HEALTH has created an annual $10,000 fund which will be granted, in $2,500 increments, to projects from providers or organizations “which aid in the development of a stronger sense of community among, and improved visibility for, CAM practitioners.” Specific interest areas include: defining quality of care standards; methods for educating consumers or allopathic providers about CAM; plans for continuing education opportunities; and projects which build relationships between providers in a given specialty, or between specialties. The latter focuses on under-server regions. The funds, while small, may be viewed as quite helpful for frequently cash-strapped CAM practitioners and their organizations. Proposals must be received by June 30, 2000, with grants awarded August 1, 2000. For information, check under “Issues and Advocacy” at Onebody.com.

5. CAM MALPRACTICE PROVIDERS: FINANCIAL DIFFICULTIES?

A May 26, 2000, release from A.M. BEST CO. announced a downgrading of “the group financial strength of Mechanicsburg, Pennsylvania-based PHICO INSURANCE.” The move is of some interest to the CAM community as PHICO picked up the contract with the INTERNATIONAL CHIROPRACTORS ASSOCIATION after another insurer, FRONTIER, was also downgraded and has notified its chiropractic policyholders it will not continue to write chiropractic malpractice coverage, according to an industry source. LOU SPORTELLI, president of NCMIC Insurance Company, contacted for comment notes that the malpractice market has been “soft” for the past 7-8 years as many new firms have moved into the field through offering lower rates. Sportelli foresees potential problems for an array of non-chiropractic CAM providers whose first encounter
with malpractice coverage may be coinciding with this uncertain decade: "CAM type providers need to be alerted that 'if it sounds too good to be true it probably is.'"

6. CAM NETWORKS: ASHP/ELEMENTS, AWHN CLIENTS, CHP/IDAHO NETWORK

A. ASHP ([www.americanspecialtyhp.com](http://www.americanspecialtyhp.com)) has a business link to ELEMENTSWELLNESS, the Petaluma, California-based firm which takes a strong position that health plans should only be providing medical coverage in the context of wellness and health promotion benefits. Under "Industry Links" and then "Partners Financial Insurance Services," one connects to [www.elementswellness.com](http://www.elementswellness.com), the web site of the unusual employer-oriented benefits firm. (See News File #.)

B. A list of client contracts of AMERICAN WHOLEHEALTH NETWORKS is available through the firm's new affiliated internet site: WHOLEHEALTHPRO.COM. The firm claims that its providers can "connect to 25 million customers of our commerce partners" through WholeHealthPro. The 26 commercial clients include its own web clients via WHOLEPEOPLE.COM. The list is at [www.wholehealthpro.com/ClientList.htm](http://www.wholehealthpro.com/ClientList.htm).

C. Portland, Oregon-based COMPLEMENTARY HEALTHCARE PLANS has made a significant move into a neighboring state to the east by acquiring IDAHO CHIROPRACTIC PHYSICIANS NETWORK. The move is part of an expansion which will eventually include Washington state, according to an early June company release. Two former principals with ICPN, DAVID PRICE, DC, and JAMES KRANZ, DC, will head up the network in that state.


A. The nearly disastrous decline in valuation of stock at MOTHERNATURE.COM, plus the intense competition in the online natural product sales arena, has pushed the 1995 business-to-consumer e-tailer more strongly into the business-to-business arena according to an INTEGRATOR interview with director of business development ADAM SOROCA. Soroca says that the firm's "mission is to operate our consumer business as is, with the lowest customer acquisition costs, with our incremental costs being spent on other channels." The move, announced in late April, now includes two B2B "channels": Wellness Advisor Network, targeting individual provider partners, and a new channel targeting retailers. The logic: "Most retailers can only stock 3,000 products and we've got 14,000. This can extend their service." In another MotherNature note, the firm now claims that over 9-million health plan members have access to product discounts on their suite through the firm's relationships with LANDMARK HEALTHCARE and WELLCALL. For Soroca: (978) 929-2016.

B. Two new relationships were announced in early June by new integrative medicine portal BRAINYBRAWN.COM. DEVON HEALTH SERVICES, a PPO which claims 2-million lives in six states in the Northeast has signed an agreement under which the firm will joint market the dot-com firm's consumer health website. BrainyBrawn, which focuses on both consumer and professional markets, is actively selling to managed care, employer and insurance interests. In a second announcement, Summit, New Jersey-based VISTA HEALTH SYSTEM, a network of 250 physicians with 200,000 covered lives selected the firm for an array of business-to-business and business to consumer purposes. Under the agreement, Vista Health physicians will pilot BrainyBrawn's group purchasing capabilities for medical supplies. BrainyBrawn will offer consumers access to CAM products. ROBERT EIDUS, MD, "chief health officer" for BrainyBrawn and TOM KLOOS, MD, medical director of Vita, handled the announcement for the two firms. For Vista: 908-598-0101; for BrainyBrawn, 877-920-9900.
C. Scottsdale, Arizona-based CANCEROPTION.COM recently advertised its participation in the June 9-11 “Comprehensive Cancer Care” conference organized by JAMES GORDON, MD. The firm noted that its chief medical officer DARRYL SEE, MD, will present at a poster session an independent study of eleven patients “that integrates the complementary therapies and nutritional supplements available at CancerOption.com.” 480/778-1618

D. In a June 7 release, INTEGRATIVE MEDICINE announced that it’s move to offer an online newsletter, “OneMedicineAlert,” is picking up 60 new subscriptions each day, for a total of 1800. KAREN LITTLE edits the publication. The firm, which publishes THE INTEGRATOR, has recently create a new look for its ONEMEDICINE.COM website.

E. Joining the dot-com content and resource suppliers is INTRAMEDICINE.COM, launched on June 7, 2000 by Westlake Village, California-based INFINITE AXIS, an internet development firm. JEFF EISENBERG is CEO of the new offering which recently acquired offline and online rights to the content from NATURAL HEALTH RESOURCES, INC., founded by JAMES LAVALLE, RPh, NMD and ROSS PELTON, RPh, PhD. www.intramedicine.com

F. Akron, Ohio-based ICBS is a website development firm which created HOLISTIC-ONLINE.COM, noted by “Psychology Today” as a top Ayurvedic medicine site. The CEO is JACOB MATHEW. Via Businesswire, June 9, 2000. 330/733-4283 www.icbs.com

7. MISCELLANEOUS: SOCIOMETRICS/CA,M DATABASE, ALTERNATIVELINK/SCANLAN

A. ERIC LANG, PhD, principal research scientist with the Los Altos, California-based SOCIO METRICS CORPORATION, is exploring, on an NIH NCX CAM grant, the feasibility of developing an international “Complementary and Alternative Medicine Data Archive” (CAMDA). The firm is seeking information on data sets which diverse organizations may have, from which Sociometrics may develop a qualified database. The exploration may be followed up by a Phase II grant to build the data base. Info on Sociometrics is at www.socio.com. Advisors to the firm include former NIH OAM program officer JOHN SPENCER, PhD, and JEFFREY LEVIN, PhD, MPH, co-editor of a recent CAM textbook with WAYNE JONAS, MD. For Lang, 650-949-3282

B. New Mexico-based CAM coding firm ALTERNATIVE LINK has named JACK SCANLAN to a position as senior vice president for marketing. Scanlan formerly held a similar position with EDI USA, a leading electronic claims clearinghouse.

End

_____________________
INDUSTRY/HEALTH NEWS FILE #61, July 7, 2000

1. NATIONAL COMMISSION GETS UNDERWAY JULY 13-14
2. STUDY FINDS WEAK RESEARCH BASE ON CAM COST-EFFECTIVENESS
3. CONSUMERS: SURVEY FINDS USE BY TWO-THIRDS; PAIN-CAM USE LINK
   A. INTERNET-BASED CAM SURVEY FINDS TWO-THIRDS ARE USERS
   B. CAM AND PAIN: STRONG LINK ON CONSUMER CAM USE
4. GOVERNMENT ACTION: HHS/CHIROS; PLUS
5. ACUPUNCTURE: BMA PROMOTES IN BRITAIN; AAOM AND ACU/MEDICARE
6. PERSONNEL CHANGES: AWHN SHAKEUP; SHEPHERD/BASTYR; LEAVER/DOT-CAM
7. CONFERENCES: CANCER DRAWS; 3 FROM HARVARD; CAM/ADHD

A Service for the INDUSTRY/HEALTH Subscriber
COMMENT: The British poet Thomas Hardy once wrote a poem entitled “Is My Team Plowing?” in which he has a farmer look back from the grave and ask whether life itself actually goes on without him. Well, coming back from the pleasant death-to-work of vacation I am pleased to report that the CAM-team is, indeed, still plowing. This News File, and #62, to be sent later in the week, catch up on developments during my recent vacation absence. The big news, however, is in #1, below, coming up this week. After 18 months of slow start-up, the White House Commission is to finally get underway. -- John Weeks, publisher-editor.

1. NATIONAL COMMISSION GETS UNDERWAY JULY 13-14

The NATIONAL COMMISSION FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE POLICY will finally get underway with its first meeting July 13-14 in Washington, DC, according to BETH CLAY, professional staff member for the Congressional Oversight Committee DAN BURTON (R-IN). Clay, contacted by THE INTEGRATOR ON July 6, stated that names of Commission members were still not public. The two day meeting will be held Thursday, July 13 2:00 PM - 5:30 PM, and Friday, July 14, 8:30 AM-5:00 PM at the Hubert Humphery Building - Room 800, U.S. Department of Health and Human Services, 200 Independence Avenue, S.W. Washington, D.C. 20201, (202) 619-0257. Clay, a leading congressional staffer on CAM issues, notes that there will be public comment time available on the second day. The White House Commission's Office is at 301-435-7592.

2. STUDY FINDS WEAK RESEARCH BASE ON CAM COST-EFFECTIVENESS

A recent article in a British CAM publication, based on a search of diverse databases, found little data supporting or opposing an economic case for CAM interventions. The authors searched in Medline, Embase and AMED for reports of “cost description, cost comparison, cost effectiveness, or cost benefit studies.” Only 34 reports were deemed valuable. Some retrospective studies suggested possible reductions in treatment costs and referral, while prospective studies tended to find CAM additive, especially when compared within the limited parameters of direct medical costs. When broader societal costs are included, CAM tended to fare more favorably. Not surprisingly, the authors concluded that “there is a need for high quality investigations of the costs and benefits of complementary medicine.” COMMENT: A search carried out by MAC BECKNER with the COCHRANE COLLABORATION and the UNIVERSITY OF MARYLAND CAM program for THE INTEGRATOR earlier this year yielded similar findings. Source: White AR, Ernst E, Economic analysis of complementary medicine: a systematic review. Complement Ther Med 2000 Jun;8(2):111-118

3. CONSUMERS: SURVEY FINDS USE BY TWO-THIRDS; PAIN/CAM-USE LINK

A. INTERNET-BASED CAM SURVEY FINDS TWO-THIRDS ARE USERS

With a heading that “Alternative Medicine Turns Mainstream,” Menlo Park, California-based INTERSURVEY released on June 20 results of a national Internet survey which found that 2/3 of adult Americans have used at least some form of CAM. The survey of 1148 adults was administered through MDChoice.com. The most widely used CAM therapies found are confirmative of other studies: chiropractic, massage and herbs. One-third of the respondents have used all three. The survey asked individuals why they used CAM. The top response: Sixty-two percent (62%) of the respondents cited recommendations from family or friend. Other
reasons were “traditional treatments were not working” (28%), “looking for a complement to a health routine” (23%); recommendation from a doctor (22%); and information from a newspaper, magazine, or Internet source (20%). Questions on “total effectiveness” yielded highest marks for massage, yoga and acupuncture. Many users of chiropractic, massage and acupuncture were found to view their treatment as “more effective” than conventional medical alternatives. InterSurvey, founded by two STANFORD UNIVERSITY professors, claims to provide web-based surveys which “achieve the validity of traditional polling techniques.” Margin of error was plus or minus 2.9%. Graphical renderings of the findings are available at www.intersurvey.com/alternative.

B. CAM AND PAIN: STRONG LINK ON CONSUMER CAM USE

A survey by OPINION RESEARCH INTERNATIONAL found that Americans are increasingly using CAM for pain relief. Tops on the list of chosen therapies are massage, meditation and magnet therapy. The survey found that 55% of overall CAM users said they would use it again, citing efficacy as the main reason. Some consumers found their CAM more effective than aspirin and prescription medications. The results were interpreted by CME HEALTH, whose director of strategic planning, PAT CAMERON, concluded that that practice of supplementing conventional care with CAM “appears to be effective for millions of Americans.” Findings on effectiveness included: 14% of magnet users found the treatment “very effective;” 50% of users found massage effective for back pain relief, and 36% using chiropractic reporting similarly. CAM received high positives relative to conventional treatment for treating wrist pain, with both massage therapy and relaxation/meditation techniques earning top relief marks for three out of four users. The report supports the finding that CAM users tend to be people with chronic conditions. States Cameron, of findings that magnet therapy is used by 40% with arthritis and 25% of those with sports injuries: “It’s easy-to-use, works in tandem with other treatments, and has no reported side effects. Those same characteristics describe massage therapy, meditation and other popular complementary treatments. They’re simple practices people can incorporate into their daily routines to improve health and well-being.” Interestingly, the study found a strong income correlation on those reporting high levels of chronic pain. One-third of those with incomes less than $15,000 report high levels of chronic pain, 13% of those in the $15,000-$35,000 range, 9% making $35,000-$50,000, and just 5% of those with over $50,000. The study, entitled “America Hurts,” was sponsored by HOMEDICS, a Commerce Township, Michigan-based manufacturer of personal homecare products. 612-347-1672

4. GOVERNMENT ACTION: HHS REPORT ON CHIROs; PLUS NC LAW FAILS

A. The OFFICE OF THE INSPECTOR GENERAL for the US HEALTH AND HUMAN SERVICES released a report June 26 which found a “startlingly unexplainable reduction” in chiropractic services available to Medicare managed care beneficiaries. The reductions were particularly high when physician referral is required. The OIG found that, in 1996, 0.61% of the one million plus recipients in Medicare policies in which referral for chiropractic is required access these services. The numbers went up to 0.96% in 1997 and 1.08% in 1998. These figures compare to roughly 4.15-4.42% in Medicare fee for services plans which do not require referral during the same period. (The AMERICAN CHIROPRACTIC ASSOCIATION places utilization for the American public as a whole at 6.5%.) The ACA believes this data will bolster its care in its lawsuit against HCFA for allowing plans to “illegally” limit services to chiropractors. The OIG report takes the position that MDs and DOs can also be the providers of manipulative services in the Medicare benefit. This issue is now before the federal court in ACA’s litigation. The OIG report is entitled “Chiropractic Care: Comparison of Medicare Managed Care and Fee-For-Service.” The report is available through http://www.hhs.gov/oig/oei/whatsnew.html then scrolling down the page to find the link to the report. Via PR NewsWire, July 5, 2000.

B. A publicized bill in North Carolina which would dramatically impact the practice ability of practitioners of homeopathy, naturopathy, herbal medicine and some other therapies has failed to
move. The measure, a throw-back to the legislative battles of the 1980s, was promoted by the NORTH CAROLINA MEDICAL BOARD and is presented by the board as an effort to “restore some order to freewheeling marketplace of treatments, remedies.” The bill, promoted by REPRESENTATIVE GEORGE MILLER was in part a response to the death of an eight-year-old last year with juvenile diabetes who was taken off insulin in the care of an unlicensed and poorly educated provider. The measure would have “expanded the arsenal of penalties the board could yield against doctors who violate the rules of the profession” according to one report.

5. ACUPUNCTURE: BMA PROMOTES IN BRITAIN; AAOM PUSHES ACU/MEDICARE

A. BMA PROMOTES ACUPUNCTURE IN NATIONAL HEALTH SERVICES

“The London Times” reported on June 25 that the BRITISH MEDICAL ASSOCIATION for the first time endorsed acupuncture, calling for inclusion in NATIONAL HEALTH SERVICE offerings. ("BMA calls for acupuncture on the NHS" by Helen Rumbelow, June 26, 2000.) Following a review of research, the BMA reportedly called acupuncture “safe and effective for many conditions” (nausea, back pain, dental pain and migraine), “unclear benefits” (arthritis and stroke victims) and “did not help” for smoking or lose weight. VIVIENNE NATHANSON, head of health policy at the BMA, stated, simply: "It's about making the NHS more holistic." A survey of 600 general practitioners found that almost half had “arranged acupuncture” for their patients. The survey found that osteopathy was recommended by a third and homeopathy by a quarter. Nearly four-fifths (79%) wanted acupuncture in the NHS. The NHS’ next step will be to put acupuncture under review by the National Institute for Clinical Excellence, the NHS’s cost-effectiveness watchdog, during 2001. One focal area of interest according to Nathanson is whether acupuncture can prove “better and cheaper than painkilling drugs, which kill 2,000 people a year.” Nathanson adds that “the research has not been done to prove this.” The report from the BMA also urges that guidelines and training programs for acupuncture for general practitioners be developed. The report offered two weblinks: www.medical-acupuncture.co.uk/index.shtml, for the British Medical Acupuncture Society and www.acupuncture.org.uk/ for the British Acupuncture Council. British Medical Association, Board of Science and Education. Acupuncture: efficacy, safety, practice. http://web.bma.org.uk/public/science.nsf/sciencedocsvw/ReportAcupuncture on June 27, 2000.

B. AAOM PUSHES ACUPUNCTURE IN MEDICARE, FEDERAL BENEFITS

The AMERICAN ASSOCIATION OF ORIENTAL MEDICINE is calling on members to support a measure HR 1890, Federal Acupuncture Coverage Act. which would approve acupuncture services in MEDICARE. The bill would amend title XVIII of the Social Security Act to provide for coverage of qualified acupuncturist services under part B of the Medicare Program, and to amend title 5, United States Code, to provide for coverage of such services under the Federal Employees Health Benefits Program.” The call for action on the measure, originally introduced in May of 1999, was an attempt to move the bill prior to the July 4 recess. Steps faltered. HARVEY KALTSAS, DOM, former AAOM president, is leading the lobbying effort. The measure targets “qualified acupuncturists” as those who are licensed or certified to practice and would not include most MD-acupuncturists. At press time, no news was available on the success of the push. [I have an email into Malony on this …]

6. PERSONNEL CHANGES: AWHN SHAKEUP; SHEPHERD/BASTYR; LEAVER/DOT-CAM

A. The leadership of AMERICAN WHOLEHEALTH NETWORKS has undergone a significant transition. No longer with the firm are JAY MASON, founding president, and RAY SEAVER and MIKE FLOCK, two vice presidents. Mason founded NATIONAL EMPLOYEE BENEFITS, then brought in Seaver in 1997 to head up the network’s move into expanded offerings, then called CAM SOLUTIONS. The CAM network was merged into AWH in late 1998. An AWHN executive
who wished to remain off-the-record stated that the three left “to pursue other interests.” Providing leadership at the CEO level is BILL LUBIN, who splits his time between AWHN’s Wisconsin base, and the Reston, Virginia headquarters of AWH. Hands-on management is led by an executive team which includes TAMMY ZELTEN, vice president of operations, TAMI QUIRAM [check spellings of both names, please] and LYNN MCDOWELL, RN, vice president for medical services. Sources inside AWHN suggest that the move was “typical” following the merger 18 months earlier. The move does not appear to be part of a systemwide re-structuring or downsizing on the network side. Employment at AWHN is said to be stable at roughly 50, and the three regional offices in New Jersey, Arizona and Washington are expected to remain open according to internal sources. One executive suggested that “with the death of one of our sibling (the AWH clinics), we (the networks) are now the rising star” for AWH. (Note: Early June INTEGRATOR interviews with AWH leaders on the CAM and the Internet, for an upcoming feature, revealed that the firm’s internet strategy rests largely on the success of AWH’s managed care arm.)

B. In other AWH news, ERIC LEAVER, formerly in executive positions with AMERICAN SPECIALTY HEALTH PLANS and, most recently, AMERICAN WHOLEHEALTH- WHOLEHEALTHMD.COM, has left the firm to head up business development for dot-CAM start-up NATURAL HEALTH LINK. Reasons for Leaver’s departure were not disclosed. Leaver recently played a lead role in securing the WHMD.COM contract with ANTHEM HEALTHCARE. NATURALHEALTHLINK’s corporate mission includes both business-to-provider initiatives and plans for expanding consumer referrals to affiliated providers through numerous channels. www.naturalhealthlink.com; for Leaver: 1-877-375-4651

C. THOMAS C. SHEPHERD, DHA, has been selected as the new president of Bothell, Washington-based BASTYR UNIVERSITY, widely recognized as one of the world’s leading centers for research education and public policy in natural health sciences. The appointment follows the retirement of Bastyr’s founding president JOSEPH PIZZORNO, JR., ND. Shepherd is an interesting choice for the institution, founded by three naturopathic physicians in 1978. He brings 28 years of experience in health care administration, most recently as president with ROYALE HEALTHCARE, INC., a North Carolina-based hospital management company.

D. TODD FOSTER, co-founder of would-be network start-up INTEGRHIHEALTH has chosen to leave the CAM arena to work with a video—based long-distance counseling start-up, beBetterNetworks. Foster continues to work out of his home office.

End
News File #61, July 10, 2000

____________________

INDUSTRY/HEALTH NEWS FILE #62, July 14, 2000

1. WHITE HOUSE COMMISSIONERS NAMED: GORDON CHAIRS POLICY GROUP
2. NEW YORK PRESBYTERIAN SHUTS DOWN CAM DEPARTMENT
3. AMERICAN WHOLEHEALTH UNRAVELING
4. KAISER NATURAL FORMULARY GROUP SELECTS FIVE BOTANICALS
5. NEW ACUPUNCTURE LAWS IN TENNESSEE, GEORGIA AND OHIO
6. UCSF CENTER DEVELOPS MODEL FOR EVALUATING CAM STANDARDS
7. CONFERENCES: CANCER DRAWS; 3 FROM HARVARD; CAM/ADHD

A Service for the INDUSTRY/HEALTH Subscriber

COMMENT: Wild, difficult week for the CAM industry. Dot-CAM looks increasingly like a failure event as a rescue agent for American WholeHealth, begun in 1996 as a network of branded
clinics. In the midst of rumors of AWH's devolution came the shocking news that one of the nation's leading inpatient-outpatient CAM ventures went belly up, at New York Presbyterian, on June 30. Then, 20 months after creation of funding for the White House Commission, this exploration -- potentially a tremendous boon to thoughtful CAM integration and to health creation in US medical payment and delivery -- began awkwardly. Oddly, only 13 of the 15 Commissioners were named, and six of that group are virtual unknowns to CAM and, from accounts, void of prior CAM experience. Let's hope that the unknowns are both deeply interested and open-minded. One significant irony: as NYP shut down its CAM department, the hospital's director of medical ethics was named to the White House Commission. -- John Weeks, publisher-editor

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and IntegrativMedicine (onemedicine.com).

(c) IntegrativMedicine 2000

1. WHITE HOUSE COMMISSIONERS NAMED: GORDON CHAIRS POLICY GROUP

The WHITE HOUSE COMMISSION ON CAM POLICY was officially seated on July 13. Chairing the group is author-provider JAMES GORDON, MD, the initial chair of the advisory board to the former NIH Office of Alternative Medicine and head of the Washington, D.C.-based Center; GEORGE M. BERNIER, Jr., M.D., hematologist/oncologist and is currently the Vice President for Education at the University of Texas Medical Branch, Galveston, Texas, no CAM background referenced; GEORGE THOMAS DEVRIES, III, CEO, American Specialty Health, San Diego, CA; WILLIAM FAIR, MD, Memorial Sloan Kettering and Cornell Medical School affiliations, chairs the Committee on Complementary and Alternative Medicine of the American Urology Association, New York City; JOSEPH FINS, MD, internist and director of medical ethics at New York Weill Cornell Medical Center of New York - Presbyterian Hospital, Cornell affiliation, no noted CAM experience; WAYNE B. JONAS, M.D., past director, NIH Office of Alternative Medicine; CHARLOTTE ROSE KERR, R.S.M., a nurse and acupuncturist with Traditional Acupuncture Institute; DEAN ORNISH, M.D., Preventive Medicine Research Institute, Sausalito, California; CONCHITA M. PAZ, M.D., University of New Mexico School of Medicine, Las Cruces, New Mexico, no noted CAM background; BUFORD L. ROLIN, former chair, National Indian Health Board, Atmore, Alabama, no noted CAM experience; JULIA SCOTT, president of the National Black Women's Health Project, no noted CAM background; THOMAS CHAPPELL, founder of natural personal care products manufacturer Tom's of Maine, and CEO of Saltwater Institute, Kennebunk, Maine; and DR. EFFIE POY YEW CHOW, nurse and acupuncturist, QiGong leader. The Commission began its work without the entire panel of 15 Commissioners seated.

COMMENT: The current list is roughly split between individuals with an active involvement in the field those with no CAM. Representation from the distinctly licensed CAM professionals is through two nurse-acupuncturists. The payment and delivery industries are not directly represented, except by DeVries. Ornish has an industry component interested, via PMRI, Kerr, to a lesser extent, through TAI's collaborations with insurers, and Fair, with his affiliation with the Memorial Sloan Kettering CAM program. Also notable is the lack of representation from the state of Washington, called the “epicenter of CAM integration” by DAVID EISENBERG, MD.

2. NEW YORK PRESBYTERIAN SHUTS DOWN CAM DEPARTMENT

One of the nation’s leading CAM centers, the DEPARTMENT OF COMPLEMENTARY MEDICINE, was shut down by the sponsoring hospital, NEW YORK PRESBYTERIAN, on June 30. Sources state that the issue was budgetary, with the hospital not willing to take any financial risk for the six-year-old program which had been funded largely through a New York-based foundation. Another perspective shared with THE INTEGRATOR is that the department remained a bastard step-child the hospital and that the failure was less about finances than the
depth of its embrace by the institution. Perhaps the most significant inpatient-outpatient venture in the nation, the services of NYP department had produced average outcomes which include 73% reduction in pain, 82% reduction in stress and a 96% satisfaction rate. The department was directed by JERY WHITWORTH, RN, CCP. Cardiothoracic surgeon, MEHMET OZ, MD, who co-founded the program in 1994 with Whitworth, was not directly involved with the department except as a referring physician. NYP plans to continue offering some in-patient services through Oz’s cardiology practice. The department built a patient list of over 1200 and a group of 170 physicians for whom the center served as a referral service. THE INTEGRATOR is continuing to explore this development.

3. AMERICAN WHOLEHEALTH UNRAVELING

The would-be empire of AMERICAN WHOLEHEALTH appears to be unraveling far more significantly than reported in I/H News File #61. According to an array of sources, none of whom wished to be on the record, WHOLEHEALTHMD.COM, the internet venture which has been the center of the firm’s business strategy laid off 30 of its 50 New York City-based employees. The decision followed the announcement that WHOLEPEOPLE.COM, the web firm associated with WHOLE FOODS MARKETS, has merged into the GAIM.COM (NYSE: GAIA). Gaiam had over $45-million in 1999 operating revenues and was further bolstered by a successful October 1999 initial public offering. Whole Foods had invested $20-million in AWH and become AWH’s natural products partner, and that relationship appears to have soured with the Gaim.com deal. WHMD has since been scrambling to find other partners for supplying product. One scenario has GAIM in the process of making an offer for the WHMD properties. INTEGRATOR calls to WHMD offices in New York have not been returned. Meantime, the network operation remain busy, ramping up to fulfill the national contract with UNITED HEALTHCARE. But contrary to statements made last week, the Arizona office of the network firm, AMERICAN WHOLEHEALTH NETWORKS, has been shut down.

4. KAISER NATURAL FORMULARY GROUP SELECTS FIVE BOTANICALS

The formulary committee of the CAM work group for KAISER PERMANENTE NORTHERN CALIFORNIA has approved, following an elaborate evidence-based process, five botanicals for sale on the shelves of the system’s pharmacies. Approved were: gingko biloba, saw palmetto, Echinacea, St. John’s Wort and glucosamine chondroitin. Decisions about carrying the products will be made by individual pharmacies. The committee also selected specific manufacturers following site visits and detailed explorations on quality control processes by doctors of pharmacy who were part of the multi-disciplinary process. The company names were not made available pending prior reporting to the system’s 4,000 physicians anticipated for later this month. HARLEY GOLDBERG, DO, chair of the physician group’s CAM committee, states that the team made the decisions “as you would expect from this conservative organization.” The team developed evidence tables and summary tables which were themselves based on reviews of the original research. While the group does not formally recommend that the botanicals be used instead of conventional agents, the strongest links were St John’s Wort for mild depression, saw palmetto for benign prostatic hyperplasia and echinacea for the common cold. The products are not covered by the HMO since they are all OTC products and Kaiser only covers prescription agents, states Goldberg. Goldberg told THE INTERGATOR that the group “worked closely with” the US PHARMACOPOEIA and its director for dietary supplements, SRINI SRINIVASAN, PhD. That the USP is independently developing manufacturing standards was reassuring for many physicians in the group. Once promulgated, the USP standards will supersede Kaiser’s, states Goldberg: “All our selected manufacturers know that they will be required to meet USP’s recommendations.” Monographs on the herbs, developed by the Kaiser group, will be circulated to the system’s physicians and made available to other physicians allied with Kaiser’s other regional medical groups on request. The committee plans now to focus more attention on the literature on vitamins.
5. NEW ACUPUNCTURE LAWS IN TENNESSEE, GEORGIA AND OHIO

The 2000 legislative session has yielded three new acupuncture practice acts. This brings to 39 states plus D.C the number of states with statutes regulating acupuncture.

** GEORGIA -- Termination of a five year campaign. Advisory board under the medical board. First year graduates must be "supervised" by another LAc. Also allows Acu-Detox specialists the right to practice, under the supervision of an LAc. Georgia is the 10th state to formally allow these non-acupuncturist providers to work with addiction.

** TENNESSEE – Similar standards; also recognizes acu-detox specialists (11th state). The state has roughly 20 detox practitioners and seven acupuncturists.

** OHIO -- Overseen by medical board. Includes three measures meant to appease conservative physicians: 1) requires a written referral or prescription from an MD/DO; 2) LAc must inform patients that acupuncture is "not a substitute" for conventional diagnosis and treatment; and 3) LAc must be under the "general supervision" (MD/DO must be available for consultation) of the patient’s referring physician.

In addition, acupuncturists in IOWA successfully passed a measure which requires MD evaluation and referral. Source: Summer 2000 "The Acupuncture Alliance Forum," the publication of the ACUPUNCTURE AND ORIENTAL MEDICINE ALLIANCE (formerly the National Acupuncture and Oriental Medicine Alliance). The Alliance presently claims 1100 members.

6. UCSF CENTER DEVELOPS MODEL FOR EVALUATING CAM PROFESSIONS

A significant grant from the ARKAY FOUNDATION to the UCSF CENTER FOR THE STUDY OF HEALTH PROFESSIONS is underwriting an exploration of standard setting in the CAM arena. Entitled "Complementary and Alternative Medicine: Evaluating Emerging Professions," the project includes development of a model to "be able to define and describe emerging professions, including CAM professions." Under the grant, the investigators will then trial run the model with a case study "of naturopathic physicians and naturopaths." The focus on naturopathy will be a challenge given that individuals using the term "naturopath" range from those who gained certificates from mail-order business to graduates of the four-year residential naturopathic medical programs which represent the most stringent training in CAM practice in the United States. The project, expected to be completed by December 2000, is headed up by project director CATHERINE DOWER, JD, with research associate HOLLY HOUGH providing a good deal of the leg-work. Website of the Center is http://futurehealth.ucsf.edu. For Hough: hjhough@itsa.ucsf.edu.

7. CONFERENCES: CANCER DRAWS; 3 FROM HARVARD; CAM/ADHD

A. The COMPREHENSIVE CANCER CARE 2000 program headed by JAMES GORDON, MD, reports 1400 attendees for its June 9-11 meeting. The gathering is the largest CAM meeting targeting professionals and mainstream providers in at least two years. The funding co-sponsors have included the NIH NCCAM and this year, ONEBODY.COM, which provided a variety of visibility support.

B. Fliers have been mailed for the second annual HARVARD-STANFORD conference on “Practical Applications and Evaluations” scheduled for October 28-31 in Kauai. Tuition is $675. 617-432-1525. Harvard is joining with USCF in two addition seminars. On November 9-11, in San Francisco, the program is “Herbal Therapies and Other Dietary Supplements” (415-476-5208) and on May 17-19, 2001, also in San Francisco, “Scientific Symposium in Integrative
Two significant developments on setting standards to better define an integrative physician are afoot from historic MD-CAM professionals organizations. Both are taking a “board certification” route, one in holistic medicine, the other limited to medical acupuncture. The former requires two years of prior experience, while the latter requires a 300 hour educational program, including 100 clinical hours, and two years of acupuncture clinical experience.

A. The AMERICAN BOARD OF HOLISTIC MEDICINE, a long-discussed initiative developed by the two-decade old AMERICAN HOLISTIC MEDICAL ASSOCIATION, will offer its first exam in December 2000. Applicants must be either an MD or a DO, currently licensed, with at least two years of practice experience. The standards do not dictate experience in integrative care. The course directors are Lynnwood, Washington-based ROBERT ANDERSON, MD, a former president of AHMA and current president of ABHM, and Colorado-based ROB IKVER, DO, an active CAM physician associated with the UNIVERSITY OF COLORADO DEPARTMENT OF FAMILY MEDICINE. ABHM executive director LARRY HULBERT told THE INTEGRATOR that ABHM plans to apply to the AMERICAN BOARD OF MEDICAL SPECIALTIES following the initial exam and has been corresponding with the specialty in development of the program. Hulbert states that over 200 MDs and DOs have “requested the exam application packet -- prior to a 35,000 piece mailing to family practice doctors scheduled for August. ABHM anticipates 500 applicants in December. ABHM is also providing a pre-certification course entitled “The Art, Science and Practice of Holistic Medicine,” via a co-sponsorship with the family medicine program at the U of Colorado. Developers of the course, and the exam, include two-dozen MDs and DOs, many of whom have been involved with the AHMA for many years. ABHM used the
services of MARY LUNZ, PhD, of Chicago-based MEASUREMENT RESEARCH ASSOCIATES to develop the exam. For Hulbert, 425-741-2996, or blh@halcyon.com.

B. The AMERICAN ACADEMY OF MEDICAL ACUPUNCTURE last fall endorsed development of an AMERICAN BOARD OF MEDICAL ACUPUNCTURE to certify MD and DO-acupuncturists. Board chair BYRAN FRANK, MD, informed THE INTEGRATOR that the board “is in its final stages and applications will be extended “within the next several weeks.” Standards include: currently licensing, at least two years experience in medical acupuncture, and completion of a 300 hours training program, 100 of which must be in clinical. Applicants must also present three physician references. Frank notes that the standards were established to exceed the 200 hour international standards as set by the WORLD HEALTH ORGANIZATION and the WORLD FEDERATION OF ACUPUNCTURE-MOXIBUSTION SOCIETIES. The purposes of the group are to set standards, conduct examinations of approved candidates, and issue certificates to those who pass. In addition, the group is involved in promoting “advancement and betterment fo the specialty of medical acupuncture,” and assisting in the quality of graduate medical training. Frank’s email address is bfrank@pol.net.

2. ALLIES FOR INTEGRATION: LOHAS, HEALTH PROMOTION CAMPAIGN

A. JOURNAL TARGETS INDUSTRY OF “HEALTH AND SUSTAINABILITY”

A good new publication on the broader industry of which CAM integration is part is the LOHAS JOURNAL (Natural Business). The acronym stands for “Lifestyles of Health and Sustainability” and is associated with the emerging demographic group called “cultural creatives” by marketer PAUL RAY. The editors denote five interest areas for the Journal -- sustainable economuc, healthy lifestyles, alternative healthcare, personal development and ecoplogical lifestyles -- which together represent an estimated $227 billion annual industry. A recent issue (Vol. 1, #2) included a feature on physicians selling supplements and a piece on the NEW YOUR BETH ISRAEL CAM clinic amidst pieces on renewable energy, socially responsible investing. The publishers are long-time media participants in the natural products industry originally with NEW HOPE COMMUNICATIONS and more recently known for their monthly newsletter ‘Natural Business’ (www.naturalbusiness.com). COMMENT: Participants in the May 2000 Miraval Summit will know that one subject of significant interest is identifying the industry stakeholders who are directly or indirectly financially interested in intergration’s success. This publication is always an interesting meditation on this emerging force for change. 888-go-LOHAS for a free introductory subscription.

B. LINKING WITH NATIONAL CAMPAIGN FOR HEALTH PROMOTION

“Building Health Promotion into the National Agenda” is the title of the February 12-17, 2001, meeting sponsored by the AMERICAN JOURNAL OF HEALTH PROMOTION and others interested in enhancing the role of health promotion in US healthcare. The meeting is part of an ongoing campaign for increased political and funding support. The advocates claim that this “maturing field” now has the foundation of over 1,000 empirical studies “which demonstrate the positive health and financial impact of programs” pushed by employers, yet adds that the field is not recognized “as a mature science by any respected medical group.” The group notes that: less than 1% of the $1.149 trillion spend on medical care targets health promotion; few of the $400 billion Medicare and Medicaid dollars spent each year cover health promotion services; and the OFFICE OF HEALTH PROMOTINO AND DISEASE PREVENTION “has a budget so small that few health promotion professionals ever encounter it in their careers.” The meeting is in Washington, D.C. An entire track will focus on political efforts. For work with the Campaign: 248-682-0707. The effort is headed by MICHAEL O’SDONNELL, PhD, MBA, MPH, the editor-in-chief of the Journal. Nationalagenda@healthpromotionconference.org. COMMENT: While not directly about CAM, the political issues of clashing paradigms are clearly linked. The Journal has published the studies on CAM integration led by KEN PELLETIER, PHd, of Stanford.
3. AWH’S LUBIN RESPONDS TO NEWSFILE #62

The notice in News File #62 that WHOLEHEALTHMD.COM had laid off 30 of its 50 member workforce stimulated a call from BILL LUBIN, a vice president with the firm and CEO of the firm’s network side. Lubin stated that the firm is reshaping its workforce to reflect a strategy in the dot-CAM firm which will have a greater focus on content than on the e-commerce strategy that linked the firm with WHOLEPEOPLE.COM. He reassured that the firm has clearly “identified the assets and value” of the WHMD arm and views its content web content as “the best of any site on the web.” He states that the firm is “unbundling” its information asset and finding “significant interest” for up to a half-dozen separate components. He also indicated that that exiting the “yoke of exclusivity” of the WholePeople.com distribution channel is positive: “They weren’t meeting our needs.” (In fact, when GAIAM.COM and WholePeople.com merged, 90% of the roughly 200 person WholePeople workforce were eliminated.) Lubin viewed the shift out of the as an opening door for the WHMD, which is crafting relationships with a range of others distributing channels. Lubin was upbeat about the firm’s future, noting that this is despite being part of a dot-com industry that “peaked and cratered.” Lubin’s positive view was underscored by AWH chair MARK PACALA in a follow-up interview. Pacala notes that a survey of 5000 WHMD customers last spring by HARRIS INTERACTIVE found customer satisfaction at high levels “rarely seen.” Pacala points out that an analysis of WHMD site visitors reached very positive outcomes: an average of 13.5 minutes online, two returns to the site each month, and nine (9) page views per unique visitor per month. He states that analysts with AWH investor THE SPROUT GROUP view these metrics as “awesome.”

4. MEDTRONIC EXPANDS CAM DONATIONS: DUKE, ALLINA BENEFICIARIES

The MEDTRONIC FOUNDATION HEALTH CENTER LEADERSHIP grant program for the current year tops $3.5 million with announcement of two new grants, to Durham, North Carolina-based DUKE UNIVERSITY HEALTH SYSTEM, and Minneapolis/St. Paul-based ALLINA HEALTH SYSTEM. The Duke Center for Integrative Medicine and the Duke Clinical research Institute will focus on gathering hard data on the effectiveness of an integrative approach to care of individuals with heart failure which is “tailored to the needs and sensitivities of patient from the South.” MARTY SULLIVAN, MD, co-directors the integrative program. The Allina program targets the Healing the Heart: Cardiovascular Integrated Health Services Program at ABBOTT NORTHWESTERN HOSPITAL, the medical director of which is VIBHU KSHETTRY, MD. The grant will also support research on an integrative approach in heart care. The release from the maker of products associated with high-tech care, trumpets the value of integrative approaches in chronic heart or neurological conditions. Prior grants went to Stanford University, Harvard Medical School/ Beth Israel Xdacaness

5. CAM PROFESSIONS: ND/MASS, PT VISIONS, AMTA ONLINE, CHIROS V. UNITED

A. A measure to establish a commission to study the licensing of naturopathic physicians was on the desk of Massachusetts Governor Paul Celluci at press time. Massachusetts is a target state for the AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS and its state affiliate. The measure has hung on a budget bill as House Section 316/Senate Section 297 and advocates were calling for grassroots support last week.

B. PHYSICAL THERAPISTS ENVISION MOVE TO DOCTOR STATUS At the annual meeting of the AMERICAN PHYSICAL THERAPY ASSOCIATION, the House of Delegates endorsed a future vision for 2020 in which “physical therapy will be provided by physical therapists who are doctors of physical therapy,” directly accessible to consumers “for the diagnosis of, interventions
for, and prevention of impairments, functional limitations, and disabilities related to movement, function, and health.” The APTA represents roughly 70,000 members.

C. The AMERICAN MASSAGE THERAPY ASSOCIATION has created a virtual massage room on its sites at www.amtamassage.org/massageroom/massage.html. The site includes an interactive stress test, audio-visual components and a massage tip of the week.

D. In June 20, 2000 letter to RICHARD MCCASKILL, vice president of UNITED HEALTH NETWORKS, the AMERICAN CHIROPRACTIC ASSOCIATION formally filed a complaint with the managed care giant on its treatment of chiropractic. The ACA is charging “discriminating reimbursement procedures on the part of both United and its network subcontractors/vendors. Complaints ranged from reimbursement levels which “do not adequately reflect the business expense of the provider” and “systematic attempts to exclude chiropractic care from products.” The professional organizations also protests limiting coverage to low back pain diagnosis. The ACA is requesting a meeting with United. On June 27, the firm followed the letter with a formal release, in which PATRICIA JACKSON, the ACA’s vice president for professional affairs notes that “United Healthcare officials have been responsive to our contact so far, and we expect them to fully cooperate in this problem-solving initiative on behalf of our members.”

5. DOT-CAM: ONCOLOGY/SELCARE, CVS/INTRAMEDICINE, HEALTHGRADES/ORACLE

A. ONCOLOGY.COM has partnered with SELFCARE.COM for increased content which the former believes will enhance the cancer-site’s “Coping Strategies” and “Complementary and Alternative Therapies” sections. By the agreement, the two will develop a co-branded store. Selfcare.com positions itself as “the healthy living marketplace for women and their families.”

B. A relatively new player in the CAM content arena, INTRAMEDICINE.COM, was selected by CVS CORPORATION, the nation’s largest drugstore chain, as an “integral part” of the chain’s pharmacist education program, according to a July 17 release. The agreement, an exclusive for Intramedicine in the chain store arena, includes onsite training and access to Intramedicine’s data base. CVS, which will also post Intramedicine’s consumer data on its website.

C. Newton, Massachusetts-based INTEGRATIVMEDICINE used its one-line handle, ONEMEDICINE.COM in a release on June 21 with a formal launch of online discussions for practitioners entitled “Community Discussions.” The first topic is estrogen replacement therapy with a second, commencing at the end of July, on interactions. The discussions are moderated by JACKI HART, MD, a former medical director for the Boston BETH ISRAEL DEACONESS affiliate of the DEAN ORNISH program for revering coronary artery disease. The release included incite into the firm’s revenue strategy. OneMedicine membership costs $99 and gives a participant access to online editions of all the firm’s newsletters, as well as the discussions on the firm’s databases. OneMedicine presently advertises 18,000 subscribers. 617-796-0812

D. HEALTHGRADES.COM is now boasting “in-depth, objective information” on its site which includes not only conventional providers -- physicians, emergency rooms, nursing homes, etc. - but also “60,000 chiropractors, 8,000 acupuncturists and 700 naturopathic physicians. The firm announced a deal with ORACLEBOBLILE to offer the service via the latter firm’s wireless technology.

E. On June 30, GOHEALTH.MD (OTC Bulletin Board: GOMD) announced that its health information site HEALTHMALL.COM had unseated DRKOOP.COPM as the number one CAM site, according to PC DTOANLINE. The site received 719,000 unique visitors for the week ending June 24th, placing it sixth among all “health and family” sites. The site includes a variety of interactive features for consumers, directories for CAM providers. Healthmall’s natural products partner is PHARMOR.COM, which is in turn partnered with #3 online pharmacy, MORE.COM
F. HEALINGDIRECTORY.COM has retained HEALTH STRATAGEM as an agent to help find a possible purchaser. The firm also owns right to the “healinginternational.com” domain name. Contact BARBARA MAHONEY at 415-499-1765.

G. Industry sources state that a quiet information and education initiative in rapid development last spring called MEDIGY has closed shop for lack of funding. Integrative medicine leaders RUSS GREENBERG, MD, and

End, News File #63, July 20, 2000

INDUSTRY/HEALTH NEWS FILE #64, July 28, 2000

1. INTEGRATIVE CLINICS: SURVEY, SUNY STONYBOOK, CWC, PLUS
   A. HOSPITAL ADMINISTRATORS LOOK TO EXPAND CAM PROGRAMS
   B. SUNY SHUTS DOWN CAM PROGRAM
   C. AP STORY: D&T SURVEY, INFO ON BETH ISRAEL CENTER
   D. WISCONSIN CENTER LOOKS TO EXPAND
   E. ACUPUNCTURE EXPANDS IN KAISER NORTHERN CALIFORNIA
   F. COMPLETE WELLNESS CENTER ANNOUNCES FINANCIAL DIFFICULTIES

2. MANAGED CARE: HEALTH NET/ASHP ACUPUNCTURE, CHIRONET, PLUS

3. CONFERENCES: GORDON, “COMPASSIONATE MEDICINE” AND NCCAM MEETINGS

4. MISCELLANEOUS: COMMISSION UPDATE, NCMIC POSITIVE, PIM CHANGES

A Service for the INDUSTRY/HEALTH Subscriber

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and IntegrativMedicine (onemedicine.com).

(c) IntegrativMedicine 2000

COMMENT: The paradoxical forces in the economic of CAM integration are evident in the series of brief reports on integrative clinics. Two surveys return views from hospital leaders which are positive toward CAM’s potential. One counterpoises this perspective with the budget pressures on hospital executives. The positive view may be inched to the prevalent idea among newcomers that significant out-of-pocket dollars are readily available to hospitals through CAM programs. INTEGRATOR readers will know that no one seems, yet, to have found that spigot. The practical difficulties in both the public and private sectors are evidence here, with two closures, including the SUNY STONY BROOK program, noted. Note, however, that CAM provider additions to conventional services, rather than high profile integrative facilities, seem to be working for two delivery systems. -- John Weeks, Publisher/Editor

1. INTEGRATIVE CLINICS: SURVEY, SUNY STONYBOOK, KAISER, CWC, PLUS

A. HOSPITAL ADMINISTRATORS LOOK TO EXPAND CAM PROGRAMS

February mail survey of hospital administrators which yielded 240 responses (12%) by CAMPBELLWILSON consulting found what the firm’s release termed a “possible bright spot” in alternative medicine. Over 25% said they plan to add some form of CAM services in the next year. Tops on the list for those planning to move into CAM were massage (40%), “holistic medical specialists’” (35%), chiropractors (16%), and biofeedback (9%). The survey also found that 40% would not enter the health care today because of the pressures of the position, particularly on reimbursement. The budget woes are not expected to be relieved soon. The areas of greatest present profitability -- outpatient diagnostic imaging, ambulatory surgery, and
chemotherapy -- are among those slated for significant cuts under the new Medicare Outpatient Payment System. (OPPS) Of the administrators, 75% believe their OPPS losses will be greater than 5%; 39% expect losses to top 10%. The federal government has projected profits of 4.6%. COMMENT: The fates of CAM programs are increasingly linked to broader budgetary realities. If administrator projections are correct, hospital investment in significant CAM programs may expect to remain low. 800/723-6492, or access www.campbellwilson.com.

B. SUNY STONY BROOK TO SHUT DOWN CAM PROGRAM

A report in Long Island’s “NewsDay” on July 27 announced that the SUNY STONY BROOK CENTER FOR COMPLEMENTARY/ALTERNATIVE MEDICINE is to close. Medical school dean NORMAN EDELMAN, MD, attributed the closure to “money problems,” adding that there will be “significant restructuring and simplification of the program.” The loss of the clinical services was downplayed by Edelman, who reported offered that they would be available by other practitioners at the university who use them “in conjunction with their regular practice.” The program has been led by SAMUEL BENJAMIN, MD. THE INTEGRATOR will be following up from Source: Ridgely Ochs, “Alternative Medicine Center to Close.”

C. AP STORY: D&T SURVEY, INFO ON BETH ISRAEL CENTER

A mid-June Associated Press feature on hospital integration of CAM includes some useful information. (‘Hospitals increasingly embrace alternative care” by Phil Galewitz; June 20, 2000.) Galewitz references a DELOITTE & Touche survey of 5000 hospitals which found that 13% “provide alternative therapies” with the figure rising to 25 percent for inner city hospitals and 32 percent for hospitals with at least 500 beds. Matthew Fink, MD a neurologist who is president and chief executive of Beth Israel Medical Center, which just opened a facility headed by WOODSON MERRELL, MD, bluntly notes: “It would be silly for doctors and hospitals to ignore something that will be a large part of health care for years to come.” The reporter stumbled upon the resistance many health systems have had to chiropractors are found in the INTEGRATOR Benchmarking report. At the Beth Israel clinic Merrell reportedly states that “to win the specialists' support, the center has agreed that after a patient sees a chiropractor three times, the case must be reviewed by a physician. We tried to get both sides to come to the table to work together. It was like putting together disparate worlds.” The Beth Israel's has not yet been able to attract an insurer for a “pilot project to test whether alternative therapies can save money and provide good care.” COMMENT: The commentary on the D&T survey includes a statement that “hospitals have discovered that alternative medicine and healthcare therapies can provide new revenue.” For reference, the annual AHA survey in 1998 found 9% with some CAM. One interesting finding: the D&T survey found that 24% of hospitals CEOs had personally tried alternative medicine.

D. WISCONSIN CENTER LOOKS TO EXPAND

The integration program at COLUMBIA-ST.MARY’S COMMUNITY PHYSICIANS INTEGRATIVE MEDICINE PROGRAM in Milwaukee, Wisconsin, a 24 clinic, 4 hospital group, now has employed chiropractors, acupuncturists and massage therapists providing services in two of the largest clinics. In addition, according to program director TOM RYAN, roughly 3000 individuals have attended a wide array of CAM-related classes (chi gong, tai chi, etc). The clinic initiated services July 1999. Ryan told THE INTEGRATOR that the program is going well and is “working on maintaining program integrity” while expanding to other sites. 414-760-7892

E. ACUPUNCTURE EXPANDS IN KAISER NORTHERN CALIFORNIA

INTEGRATOR advisor LEE BALLANCE, MD, a member of the CAM committee for the NORTHERN CALIFORNIA KAISER PERMANENTE notes that salaried or contracted licensed acupuncturists are now in place in most of the 13 facilities. The Southern California Permanente group has not taken the same direction in their pain program: they “went for biofeedback” instead. Ballance’s group now has formalized representatives to head up CAM in each location. He also
provided more information about the botanicals program noted in News File #63. The group considered private labeling its own botanicals as it has for some vitamins, but decided against doing so. But one twist: a Kaiser-developed fact sheet with information about the specific herb on one side, and general information about herbs on the other will be shrink-rapped with the products. Said Balance: “It looks like a PDR insert.”

F. COMPLETE WELLNESS CENTER ANNOUNCES FINANCIAL DIFFICULTIES

Winter Park, Florida-based COMPLETE WELLNESS CENTERS (announced on July 21 that the firm is “undercapitalized and is experiencing operating cash flow difficulties that have caused the Company to be unable to meet its obligations or to achieve its business plan objectives.” The release attributed the problems to: 1) a withdrawn public offering; 2) a failed merger with Dr.Alt.com at the end of May; and 3) inability to attract new investors. Bankruptcy reorganization is under consideration. CWC has had a difficult road since its IPO in early 1997, including failed acquisitions, media scrutiny and a 2.5 year federal investigation. www.completewellness.com.

2. MANAGED CARE: HEALTH NET/ASHP ACUPUNCTURE, CHIROSOURCE, STANGER

A. HEALTH NET ACUPUNCTURE BENEFIT FINALLY ROLLED OUT

An acupuncture and herbal medicine benefit from Woodland Hills, California-based HEALTH NET for which the HMO first applied in late 1997 was announced on July 20. In a release, CORA TELLEZ, the firm’s CEO said that through the benefits the firm becomes “an even more effective gateway to the care our members need and desire. Our research shows a growing demand for care that complements traditional approaches. Adding acupuncture and herbal supplements continues our groundbreaking efforts to provide access to a wide range of quality treatments at an affordable cost.” The firm initiated direct coverage of chiropractic in 1990. The firm’s senior vice president JENNIFER GUTZMORE stated: “Acupuncture and other complementary care therapies have been proven in certain cases to be effective for such conditions as headaches, lower back pain, stroke rehabilitation, post-operative dental pain, and post-operative and chemotherapy-induced nausea and vomiting, among others. We are excited to be able to offer these safe and effective treatment options as an alternative to traditional medical treatments.” The program, offered through AMERICAN SPECIALTY HEALTH PLANS, allows self-referral, co-payments ranging from zero to $15, and combined chiropractic options. Management includes submission of a treatment plan to ASHP after an initial examination. Program delivery kicks off September 1, 2000. The firm, which serves more than 2 million members, also offers a “WellChoices” CAM discount product. 818/676-7666

B. Clayton, California-based CHIROSOURCE announced two developments in late June. The firm has signed an agreement with the HEALTHSMART PREFERRED CARE, INC. to provide the chiropractic network for the firm’s 350,000 members. HSPC’s base is primarily in Texas. The agreement includes general health and worker’s compensation contracts. A similar agreement has been inked with THREE RIVERS PREFERRED PROVIDER NETWORK, which claims 2 million PPO members. According to Chirosource vice president TODD CATALDO, the firm “works with more of the major national PPOs than any other chiropractic managed care organization.”

C. JANICE STANGER, the CAM leader with the WILLIAM MERCER consulting firm contacted THE INTEGRATOR to announce she is taking a new position as director of health services with San Diego-based AMERICAN SPECIALTY HEALTH, INC. Stanger has been a leader in bringing CAM into the employer spotlight, through publicizing CAM findings in Mercer’s annual employer survey and through writing and speaking. Mercer has not noted who, if anyone, will be heading up CAM after Stanger’s departure. Stanger anticipates doing a good deal of research an writing for ASH.
D. CCN, a non-risk bearing preferred provider association with more than 30 million members, will provide access to natural products through a recent agreement with DYNATRONICS CORPORATION (Nasdaq: DYNT). Dynatronics products range across mainstream and typically CAM markets. The products will be deeply discounted and available through the www.dynatronics website. CCN claims to manage more than $6-billion in claim annually, mainly for large employers, TPAs and union trusts. www.ccnusa.com, or 858-654-2202. From PR Newswire, June 29, 2000.

3. CONFERENCES: GORDON, “COMPASSIONATE MEDICINE” AND NCCAM MEETINGS

A. The annual “MindBodySpirit Professional Training Program” led by JAMES GORDON, MD, will take place November 12-18, 2000, in HILTON HEAD ISLAND, SOUTH CAROLINA. The sponsors are Gordon’s CENTER FOR MIND-BODY MEDICINE and, for CME, UNIVERSITY OF MINNESOTA. $1800, not including housing, meals or transportation. Contacts are: www/cmbm.org,.cmbm@mindspring.com or 202-966-7338.

B. A group called THE ASSOCIATION OF HEALING HEALTHCARE PROJECTS is holding a three day even entitled “Compassionate Medicine: Remembering the Meaning and Wholeness in Health Care,” October 11-13, 2000. Among the speakers will by ELLIOTT DACHER, MD, and LELAND KAISER, PhD. Sponsored by UNION HOSPITAL. Contact is Joan Strauss, 781-477-3604 (joans@nsmc.partners.org).


4. MISCELLANEOUS: COMMISSION UPDATE, NCMIC POSITIVE, PIM CHANGES

A. The WHITE HOUSE COMMISSION ON COMPLEMENTARY AND ALTERNATIVE MEDICINE POLICY will be expanded to 20 members from the original 15. Sources suggest that at least one of the new commissioners will be a chiropractor, a second may be another acupuncturist. Massage therapists and naturopathic physicians do not look to be directly represented. One new Commissioner was named, TIERAONA LOW DOG, MD, a well known educator in botanicals associated with the annual course for COLUMBIA-U ARIZONA. Low Dog is presently medical Director for the Tree House Center of Integrative Medicine in Albuquerque, New Mexico. In addition, executive director is STEVEN GROFT, PharmD. Groft was the original director of what was to become the OFFICE OF ALTERNATIVE MEDICINE in 1992-93.

B. In a follow-up to the New File # on downgrading of CAM malpractice carriers, NCMIC GROUP announced on June 28, 2000, that it has maintained its single-A-plus rating from STANDARD AND POORS. NCMIC, with a market share approaching 50%, is the leading provider of medical malpractice insurance to chiropractors in the U.S.

C. THE MEDICINE TREE, an integrative clinic in St. Ignatius, Montana, shut its doors June 30. The clinic, which had planned a potential expansion and roll-out, head been headed by MARY STRANAHAN, DO. The initiative was personally backed by Stranahan.

D. VICTORIA MAIZES, MD, the new executive director of the UNIVERSITY OF ARIZONA PROGRAM IN INTEGRATIVE MEDICINE reports some good news amidst the destabilization of revenue shortfalls and the departure of prior leadership (see News File __). The Associate Fellows program begins with a full class of 42 in August. Research director IRIS BELL, MD, PhD, has secured two significant NIH grants. A new Pediatric Fellowship -- two fellows -- commenced July 1. In addition, PIM is actively involved in developing the next annual meeting, scheduled for September, of the ACADEMIC CONSORTIUM OF INTEGRATIVE MEDICINE, a group which
initially met a year ago at the instigation of JON-KABAT ZINN, PhD and . Working on the consortium inside PIM is MARY HELEN KASER (520-626-6483). Maizes is a former KAISER PERMANENTE physician with strengths in wellness and health promotion who was a first year Fellow with PIM.


INDUSTRY/HEALTH NEWS FILE #65, August 4, 2000

1. FORMER OXFORD HEAD BACKS INTERNET-BASED DEFINED BENEFIT
2. REQUEST FOR RESEARCH COLLABORATORS AND CO-SPONSORS
3. NETWORKS/MCOs: CHP/HEALTH POLICY, HAN/TOURO, PREMERA EXPANDS, PLUS
4. TWO FROM MASSACHUSETTS: STATE CAM STUDY, HARVARD CAM DIVISION 4.
5. MEDIA ACCOUNT SURVEYS CAM IN HOUSTON MARKET
6. MISCELLANEOUS: ND EXAMS, ORNISH ON REIMBURSEMENT, CAM MARKETING

A Service for the INDUSTRY/HEALTH Subscriber

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and IntegrativMedicine (onemedicine.com).

(c) IntegrativMedicine 2000

1. FORMER OXFORD HEAD BACKS INTERNET-BASED DEFINED BENEFIT

STEPHEN WIGGINS, the former chair of CAM-pioneering OXFORD HEALTH PLANS has taken his market-oriented focus a next step. On July 24 he launched HEALTHMARKET as a vehicle for what he calls “self-directed” health plans. The business links an Internet strategy (see article on HEALTHECARE.COM, June INTEGRATOR) and the move in employee benefits toward “defined contributions” (see July-August INTEGRATOR), both of which are anticipated to give consumers more CAM options. HASSAN RIFAAT, MD, most recently a COO with ALIGNIS, and prior to that the developer of Oxford’s CAM program for Wiggins, is heading up CAM development for HealthMarket. Wiggins expects the plan, position as an “alternative to managed care,” to shortly be available in 48 states. The company release is calls the announcement the beginning of “a new era in healthcare.” A $57 million first round of financing provided to business development. JOHN DANAHER, former executive vice president of HEALTHEON/WEBMD, is the president and COO. The firm’s “exchange” -- where consumers meet providers -- will soon have 5,000 CAM providers joining 175,000 physicians, 3,000 hospitals and 40,000 ancillary facilities, according to the release. States Wiggins: “We really believe the future lies in getting the insurer and employer out of the business of directing or controlling the provision of medical care,” said Mr. Wiggins. “The role of the insurer is simply to pay for healthcare; and the role of the employer is to help the employee pay for that insurance. Period.” Healthmarket.com

2. REQUEST FOR RESEARCH COLLABORATORS AND CO-SPONSORS

MELINNA GIANNINI, founder of INDUSTRY/HEALTH subscriber ALTERNATIVE LINK contacted THE INTEGRATOR with a request on an intriguing project. Other I/H subscribers may be interested. Giannini and KEVON ARTHORS, ND, recently a consultant to the VETERANS ADMINISTRATION on CAM issues, have created what Giannini calls “a cost and outcome study that can be funded for $300 per provider or $3,000 per clinic.” The target is at least 200 providers, for a cost of at least $60,000. States Giannini: “Ten diseases have be identified that
cost employers lost work days for worker’s comp claims and insurance companies high volumes of claims. The study is designed and the books for each practitioner can be delivered immediately with all component pieces of the survey. Each provider would be paid $250. $50 would be spent by Alternative Link to produce books and cover the mail and phone charges for the study. It is estimated that the study would take 2.5 hours for the individual provider to complete. We have already benchmarked conventional costs for each of the 10 diseases so that the results of the provider surveys can instantly be compared to conventional costs, including drug therapies. I believe that we have the contacts to get this done in two months. I would like to survey 20 practitioners for each licensed provider including: DOM, DC, MD, DO, ND, LMT, NP (nurse practitioners), CNS (clinical nurse specialists) PT (physical therapists) and 10 clinics with 10-30 providers working in integrated settings. The total cost of the project for a 200 provider survey would be $60,000.” ALTERNATIVE LINK will share all data with companies which contribute $20,000. If more money is raised, the survey will be expanded to a maximum size of 500 providers. If you are interested or have ideas of anyone who might be, contact Giannini.

mg@alternativelink.com

3. NETWORKS/MCOs: CHP/HEALTH POLICY, HAN/TOURO, PREMERA EXPANDS, PLUS

A. CHP CREATES CROSS-DISCIPLINARY PUBLIC POLICY COMMITTEE

COMPLEMENTARY HEALTHCARE PLANS recently initiated a “Public Policy Committee” which will begin to “represent our (CAM) disciplines and practitioners in the area of public policy.” In the summer issue of the CHP newsletter, the Portland, Oregon-based network stated that it is “the only complementary health organization that includes licensed practitioners in all four disciplines (chiropractic, acupuncture, naturopathy and massage) on its policy making board.” The formal Policy Committee will review issues facing individual disciplines and will “work with its contracted health plans, individual trade groups and professional groups as appropriate.” In other CHOP details noted in the newsletter, CHP currently handles 7100 claims a month on 235,000 at risk and 1.2 million PPO and MCO lives. Provider panels include 311 chiropractors, 43 naturopathic physicians, 53 acupuncturists and 71 massage therapists. The firm now has operations in six states. COMMENT: The types of policy noted were generic — “silent PPOs,” patient rights, medical record privacy — but given the not unusual legislative and scope of practice conflicts between the CAM disciplines, CHP’s Public Policy Committee might feel like Camp David when the Middle East is on the agenda. This appear an intriguing direction and form of corporate responsibility. THE INTEGRATOR would be interested in similar panels created by other networks.

B. NEW ORLEANS NETWORK LINKS WITH MAINSTREAM DELIVERY ORGANIZATION

New Orleans-based HEALING ARTS NETWORK, a discount CAM network, has formed a “collaboration” with one of the city’s conventional care services, TOURO INFIRMARY, under which Touro’s 1300 employees can access HAN’s network of providers. In the June agreement, the TOURO ALTERNATIVE THERAPIES CENTER became a provider in the HAN network. The release noted that HAN has also established a relationship with GLISBAR, INC., a third party administrator which is offering HAN’s network to its employer clients. HAN is a subsidiary of AMERICAN LIFECARE, the nation’s 33 largest plan. healingartsnetwork.net, or ANSLKET ZEHNDER at 504-679-0110, x 6517.

C. LANDMARK’S BURON LAYS OUT PRICING MODEL

At a May meeting of the SOCIETY OF ACTUARIES, KEVIN BURON, a vice president with LANDMARK HEALTHCARE provided an overview of a general “model for CAM pricing” for estimating a cost of a CAM rider. The modal may be a useful summary to INDUSTRY/HEALTH readers who are not directly involved in this aspect of CAM integration. Components include:
1. Base assumptions (percent of insured will utilize, visits per unique patient, cost per visit)
2. PCP referral versus direct access
3. Scope of covered services (condition limits)
4. Benefit design - visit limits
5. Core benefit vs. rider
6. Member copayment levels
7. Internal factors (incentives for sales, buy in of brokers, renewals to new business quotes, price position in the marketplace, break-even versus profit center)
8. Market factors (mandates or upcoming regulatory issues, product cycle, community acceptance, product availability, first out versus me-too)
9. Vendor payment system (fee for service with administration, capitation, risk sharing)
10. Practitioner reimbursement methodology (fee for service, capitation, global case rates, reimbursement pools).

COMMENT: The permutations of these factors point to emptiness of a simple statement that a given plan "covers CAM." A situation in which all the factors that limit CAM are rolled into one benefit, produces a calculus approaching zero.

D. PREMERA BLUE CROSS EXPANDS CAM BENEFIT

The reformulation and expansion of CAM benefits by carriers in Washington State, following the loss of a suit protesting INSURANCE COMMISSIONER DEBORAH SENN’s interpretation of a 1995 state mandate has commenced. GROUP HEALTH COOPERATIVE is expanding the list of condition for which member can have services of some providers, notably naturopathic physicians, covered. PREMERA BLUE CROSS recently sent an advisory to patients which clarified that acupuncture services will be covered for up to 12 visits. Services must be “medically necessary to relieve pain, induce surgical anesthesia or to treat a covered illness, accidental injury or condition.” No more specifics were provided. Manipulative treatment by chiropractic, osteopathic or naturopathic physicians will also be covered for up to 12 visits. The original Premera benefit was a 50/50 co-payment for a total of $500 of carrier exposure. Symbolically, and in alignment with Senn’s interpretation, the carrier has removed all language suggesting that the CAM services are a “Supplemental Medical Benefit.” The plan is now also allow naturopathic physicians to be covered for “home, office and facility visits.” In another move, preferred massage therapist are now part of the “Rehabilitative Care” benefit when part of a physician’s formal, written plan. The move marks a significant increase in coverage of naturopathic services, in accordance with that professions formal primary care status in the state.

4. TWO FROM MASSACHUSETTS: STATE CAM STUDY, HARVARD CAM DIVISION

A. HARVARD CAM RESEARCH GROUP GIVEN DIVISION STATUS UNDER EISENBERG

HARVARD MEDICAL SCHOOL (HMS) has formally established a “Division for Research and Education in Complementary and Integrative Medical Therapies” under the direction of DAVID EISENBERG, MD. The division will facilitate collaboration in and among diverse research parties and affiliated institutions. Over 60 faculty members in Harvard-affiliated teaching hospitals have shown interest in participating with division activities. Two foci of the division are policy-related. One is policy development regarding “credentialing, referrals and co-management of patient care,” according to a release. The other is “criteria to responsibly recommend the use or avoidance of herb/supplement and other complementary therapies.” In the statement, Eisenberg noted that despite tremendous use and interest that “there has been a tendency to marginalize complementary and alternative medicine in mainstream medical institutions.” Eisenberg’s BETH ISRAEL DEACONESS CENTER FOR ALTERNATIVE MEDICINE RESEARCH AND EDUCATION has received over $6 million of NIH funding since 1993. Contact is Peta Gillyatt: gillyatt@hms.harvard.edu, 617-432-0443
B. MASSACHUSETTS TO STUDY ALTERNATIVE MEDICINE

Massachusetts GOVERNOR CELLUCI has signed a bill which establishes a commission to study alternative medicine. Among representative on the commission will be representative from not only the BOARD OF REGISTRATION OF MEDICINE but also the state associations representing acupuncturists, naturopathic physicians and medical doctors. One focus will be whether state licensure of naturopathic physicians, in particular, is needed as a consumer protection measure. Acupuncturists are licensed. Another focus will be on third party reimbursement for CAM services. Commissioners may suggest legislation. A report will be prepared by December 1, 2000. COMMENT: The story behind this move is the efforts of the MASSACHUSETTS SOCIETY OF NATUROPATHIC PHYSICIANS to gain licensing. The NDs, whose 11 states do not yet include a major population or media center -- the most populous states are Washington and Arizona -- are presently also being studied in California.

3. MEDIA ACCOUNT SURVEYS CAM IN HOUSTON MARKET

The HOUSTON CHRONICLE ran a July 30 feature on the Houston activity in CAM integration. Focus was on MEMORIAL HERMANN HEALTHCARE. (See INTEGRATOR.) One development: Nurses at four of MHH hospitals will begin training in healing touch, guided imagery and massage for patients before and after surgery. The stated reason, from nurse trainer BONNIE KELLEY MORROW: “Patients require less anesthesia, recover quicker and blood loss is less.” Aromatherapy is practiced at SOUTHEAST MEMORIAL HOSPITAL. Day surgical patients can choose peppermint, lavender or orange scents. The writer explores revenues. Program director RICHARD MATTERSON, MD, is quoted as saying: “My bosses would be happy if we didn’t lose money.” The article also notes activities at other, non-MHH hospitals. CHRISTUS HEALTH is beginning an exploratory CAM committee. ST. LUKE’S EPISCOPAL HEALTH SYSTEM claims some staff physicians who provide acupuncture. METHODIST HEALTHCARE SYSTEM has no formal CAM program but, though an INSTITUTE OF PREVENTIVE MEDICINE provides massage therapists, acupuncture, acupressure, aromatherapy, reflexology and magnet therapy to corporations which contract with the system for wellness programs. CATHY EASTER DEBUSK with the Institute says that about 40% of corporate wellness clients request the services. On the HMO side, HUMANA and AETNA each offer network-based discount products. CIGNA reportedly offers six visits for chiropractic, acupuncture or biofeedback for a limited list of conditions if the member has a physician referral. “Houston Health Care System Takes a Different Approach to Healing” by Mary Sit-Duvall, July 30, 2000.

6. MISCELLANEOUS: ND EXAMS, ORNISH ON REIMBURSEMENT, CAM MARKETING

A. The NORTH AMERICAN BOARD OF NATUROPATHIC EXAMINERS (NABNE) got a plug in the “health and Safety” section of “The Atlantic Monthly.” NABNE, following an administrative structure used by MDs and chiropractors. Will now administer licensing exams for the profession. Atlantic Monthly viewed the move as “another step toward the mainstream” for alternative medicine. August 2000

B. In testimony before US CONGRESS last spring, DEAN ORNISH, MD, made a blunt request to Congress for coverage of his multi-disciplinary program for reversing coronary artery disease. In a discussion which touched on the scientific and cost-effectiveness arguments which already support his approach, Ornish stated: “If we change reimbursement, we change medical practice, we change medical education.” COMMENT: This perspective on the causality between coverage and practice is found elsewhere in the CAM-arena, notably in studies of why nutrition has not found its way into medical education and practice.

C. The NIH NCCAM has announced its exploratory grants for FRONTIER MEDICINE RESEARCH. (RFA: AT-00-002). NCCAM defines this CAM grouping as “those CAM practices for
which there is no plausible biomedical explanation.” Examples are: bioelectromagnetic therapy, biofield/energy healing, homeopathy and therapeutic prayer/spiritual healing. Information is at: http://grants.nih.gov/grants/guide/rfa-files/RFA-AT-00-002.html.

D. A resource on CAM developments in 16 diverse institutions and organizations is ALTERNATIVE MEDICINE: MARKETING BEST PRACTICES. Author is healthcare consultant Lynne Cunningham. Her firm partnered with THE ALLIANCE FOR HEALTHCARE STRATEGY AND MARKETING on the 65 page text. Cunningham used a phone survey format. Published in early 2000, the volume will have little new to INTEGRATOR readers but there will be kernels, particularly in the marketing area, the publisher’s focus. 312-704-9700.

End
Industry/Health News File #65; August 4, 2000

____________________________

INDUSTRY/HEALTH NEWS FILE #66, August 15, 2000

1. CLINICS: TWO VIEWED AS “BREAKING EVEN,” HEALTH SOUTH, PLUS
   A. COLORADO CENTER GROWS OUT OF GERENTOLOGY PROGRAM
   B. MASSACHUSETTS MEMORIAL: INPATIENT/OUTPATIENT MASSAGE AND REIKI
   C. HEALTHSOUTH: INTEGRATION IN REHAB
   D. DISCUSSION: “BRIDGE CLINICS” AND “INTRA”-GRATIVE FACILITIES

2. PERSPECTIVES ON POLITICAL CLOUT OF THE CAM PROFESSIONS

3. CONFERENCES: “PROSPECTIVE MEDICINE,” ACUPUNCTURE RESEARCH

4. MISCELLANEOUS: HBMN, CAM DOCUMENTARY, COMMISSION APPOINTEE, PLUS

A Service for the INDUSTRY/HEALTH Subscriber

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and IntegrativMedicine (onemedicine.com).

(c) IntegrativMedicine 2000

COMMENT: The first two of the four reports on integrative clinics originally came to THE INTEGRATOR stamped as “profitable clinics.” Post interview, unfortunately, the picture is not so simple. But each is clearly finding a route to a positive profile in the sponsoring health system’s portfolio of services. Some shared features of these facilities: both grew organically out of patient request in other departments, neither has a medical doctor salary line in the expense side of the ledger, in-patient services are a part of the offerings, and each has had some time to ripen within the broader system. Finally, both, notably, continue to focus on satisfied patients and word of mouth for referral. And cash is the dominant form of payment. Interestingly, two of the three hospital-based programs claiming to be at break-even in the Integrative Clinic Benchmarking Project also have no MD or DO salaries in their budgets. -- John Weeks, Publisher-Editor

____________________________

1 INTEGRATIVE CLINICS: TWO VIEWED AS “BREAKING EVEN,” HEALTH SOUTH, PLUS

A. COLORADO CENTER GROWS OUT OF GERENTOLOGY PROGRAM

The Longmont, Colorado-based HEALTHCARE CENTER OF INTEGRATIVE THERAPIES, at LONGMONT UNITED HOSPITAL, has an unusual origin. The program at the 135 bed, stand-alone hospital was begun in 1994 when seniors asked gerontology nurse MICHELLE BOWMAN, BSN, RN, C, to add some CAM services. The original program featured massage, Tai chi, exercise and yoga. The hospital, a PLANETREE member institution, invested in Bowman’s CAM education, including an extended educational trip to China. She began growing the program
slowly. In 1998, the program became a formal hospital department and includes a 3000 square foot, 5 patient room integrative clinic as well as management of CAM integration into other hospital services. Inpatient services with some CAM integration include cancer, birth, rehabilitation and pre-operative care. Providing services are seven acupuncturists and 14 massage therapists. Most work part-time, and move between the clinic and inpatient needs in seven-day-a-week program. Other practitioners include a medical herbalist, a practitioner of Alexander Technique and nurses who provide touch therapy and Reiki treatments. The program is presently ahead of budget and within $8,000 of breakeven for the calendar year, on $117,000 of net revenues for the first seven months of the year. Bowman told THE INTEGRATOR that the loss is not viewed as problematic by the hospital. One reason: since integrating obstetrics care, births have jumped from 80 per month to over 110. Bowman attributes her relatively comfortable financial position to one important factor: “We don’t have MDs on staff.” She adds that her own compensation is “probably about half” of what would be paid to an MD in her leadership position. The program, however, is not yet well integrated into physician practices, with “only about 2 percent” of the patient base due to physician referral. Based on her experience, Bowman has begun to speak and consult widely on CAM integration in small and frequently rural hospitals, including four in Wyoming, she told THE INTEGRATOR. Her work is to be featured in an upcoming text from ASPEN PUBLISHING co-authored by FRANK LAWLIS. 303-485-8384

B. MASSACHUSETTS MEMORIAL: INPATIENT/OUTPATIENT MASSAGE AND REIKI

KEITH DUBOIS, RN, BSN, was director of a consumer education program targeting women and children healthcare users in 1994 when her target group [YES, SHE IS A “SHE”] began to request CAM programming. In a series of conservative steps over the ensuing six years, the program grew to fill a seven room, 2600 square foot facility running at 90 percent capacity as the MASSACHUSETTS MEMORIAL COMPLEMENTARY HEALTH CENTER, with an adjunct inpatient program. The steps are instructive of a conservative and financially less risky growth model. The initial, standing room only session on CAM led to a series of segments on individual modalities -- and then a request that the hospital provide therapies. In October 1995, space was made available for massage services in a woman and children outpatient department on Thursday afternoons after 4:30 PM. By June of 1996, four practitioners, and massage and Reiki practitioners, were filling three evening slots. Less than a year and a half later, the program moved into 1500 square feet of underutilized space in the hospital’s 4th floor which were formerly dedicated to intensive care. A $7000 grant from a hospital fund provided funds to pay practitioners for CAM services to inpatients. Services expanded again in 1998, to then include shiatsu, foot reflexology, “gentle yoga,” and nutritional counseling from a “wholistic nutritionist.” Educational programs for consumers and professionals -- including wholistic nursing and nurse training in Reiki -- are also offered. Finally, in May of this year, the hospital wanted the ICU space back and the program moved to 2600 square feet in a hospital-owned Victorian house across the street from the hospital. More limited CAM services have also been made available at two of the system’s other three hospitals. The marketing focus has been direct to consumer -- DuBois booked 150 community presentations last year alone -- but in 1998, she added a focus on educating physicians and nurses. One offshoot: a rotation for internal medicine and family practice residents. Few physicians still routinely refer to the Center. DuBois believes a medical director will be necessary to stimulate referrals. Inpatient services, now at just two treatments a week -- “it could easily be doubled if we had the resources” -- is only possible with a physician referral. Funding inpatient treatment is also an issue: when the $7000 grant ran out, the inpatient services continued to be delivered with the provider payments paid by the Center but not reimbursed by the patient. Payments to providers for these unreimbursed inpatient services hit $14,000 in 1999. DuBois has set fees for all CAM services just below market ($50-$60/hour in Central Massachusetts), at $45 per hour. Practitioners, mainly cross-trained nurses, were paid $26 with remaining $19 to cover program overhead. On the clinical side, steps are in process to gain “affiliate credentialing” for a licensed acupuncturist. Bottom line: The program is expected to generate an excess of $10,000-$15,000 of revenue over expenses. However, THE INTEGRATOR discovered two major caveats: Dubois’ salary line -- she devotes 80% of her time to the Center -- and rent on the space in the Victorian are not in the Center’s budget. While the
operations people put the Center’s red ink under scrutiny, Dubois is considering a strategy through which she convinced a number of departments contribute to the program’s overhead. The strategy for developing the support: focused services developed by the Center for their departments. She anticipates focusing on this in the coming year. 508-793-4757

C. HEALTHSOUTH: INTEGRATION PILOT IN REHABILITATION

JASON STEIN, DOM, is heading up an informal CAM integration pilot into a HEALTHSOUTH facility in Albuquerque, New Mexico. The national rehabilitation firm has over 100 hospitals and 1800 outpatient facilities nationwide. Stein began offering acupuncture at the facility a year ago, through a partnership between the rehab firm and a local acupuncture school, the INTERNATIONAL INSTITUTE OF CHINESE MEDICINE. Stein’s position is 25 hours per week and involves both inpatient and outpatient services. A massage therapists and tai chi instructors were more recently added to the services. Stein said credentialing “wasn’t as difficult as (he) thought,” recalling that the entrée was achieve through a marketing director who attended one of Stein seminars and championed the process. He reports that the firm is observing developments with the intent to consider expansion in other parts of the system. 505-344-9478

D. DISCUSSION: “BRIDGE CLINICS” AND “INTRA-GRATIVE FACILITIES

A call to THE INTEGRATOR for integrative medicine clinic business consultant NANCY SCHULMAN led to an interesting exchange regarding the pros and cons of adding CAM providers to conventional medical practices, or creating focuses “integrative medicine clinics.” SCHULMAN, who has consulted on both types of projects, refers to the former as “bridge clinics.” The question is: which will lead to greater integration? An acupuncturist sharing space with 17 medical doctors may eventually be viewed as valuable, and a referral option for a dozen of them. Integrative clinics on the other hand, in experience to data, are often without significant referral from MDs and DOs, offering an experience of “intra-gration” -- between and along providers inside the clinics -- rather than inter-gration with other community practitioners. Schulman’s clients have includes DENVER PAIN MANAGEMENT, a couple of stand alone clinics, and most recently a local health system using an add a provider model. For Schulman:

2. PERSPECTIVES ON POLITICAL CLOUT OF THE CAM PROFESSIONS

A open letter to his profession from AMERICAN CHIROPRACTIC ASSOCIATION executive GARRETT CUNEO included a useful chart on what Cuneo called “the relative strength of the other organizations that are competing with us over the same health care dollar.” The data is from the Association Yellow Book:

<table>
<thead>
<tr>
<th>Name</th>
<th>Members</th>
<th>Employees</th>
<th>Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Medical Assn</td>
<td>297,000</td>
<td>1,200</td>
<td>$190 million</td>
</tr>
<tr>
<td>American Osteopathic Assn</td>
<td>29,757</td>
<td>133</td>
<td>$8.7 million</td>
</tr>
<tr>
<td>American Physical Therapy Assn</td>
<td>74,000</td>
<td>168</td>
<td>$27 million</td>
</tr>
<tr>
<td>American Podiatric Medical Assn</td>
<td>10,200</td>
<td>55</td>
<td>$8 million</td>
</tr>
<tr>
<td>American Psychological Assn</td>
<td>155,000</td>
<td>467</td>
<td>$55 million</td>
</tr>
<tr>
<td>American Chiropractic Assn</td>
<td>18,000</td>
<td>40</td>
<td>$6.5 million</td>
</tr>
<tr>
<td>International Chiropractors Assn</td>
<td>8,000</td>
<td>14</td>
<td>$2.5 million</td>
</tr>
</tbody>
</table>

COMMENT: An INTEGRATOR survey 1.5 years ago found budgets of the other leading CAM professions to all be under $1-million except the AMERICAN MASSAGE THERAPY ASSOCIATION, which had total revenues of roughly $8 million. The relative dollars and staffing available underscore both guild inequities and, more importantly, the financial problems which support a stronger profile in the integration discussion for the ideas and philosophical approaches of the CAM professions. Economically, the integration conversation is significantly imbalanced
from the start. The inequities are further exacerbated by the extremely low levels of federal government investment in the development of the distinct CAM professions. Addressing this imbalance should be a core issue for the WHITE HOUSE COMMISSION, and for lawmakers.

3. CONFERENCES: “PROSPECTIVE MEDICINE,” ACUPUNCTURE RESEARCH

A. The 11th Northwest Regional Acupuncture Conference in Portland on October 13-15 will include programs on research, insurance and integrated care. Sponsors are OREGON COLLEGE OF ORIENTAL MEDICINE, OREGON ACUPUNCTURE ASSOCIATION, and the NATIONAL SPORTS ACUPUNCTURE ASSOCIATION. $255. 503-253-3442 x 129

B. SOCIETY OF PROSPECTIVE MEDICINE meetings in Pittsburgh September 23-26. In a note from SPM board member RICHARD LIPPIN, MD, medical director for EARTHMED, SPM is described as being in its 35th year and “dedicated to advancing research on the assessment tools, interventions and educational strategies necessary to support prospective ("looking forward") medicine practice.” The organization looks to have significant overlap with CAM interests. www.spm.org

C. The SOCIETY FOR ACUPUNCTURE RESEARCH will hold its annual Symposium in Baltimore on October 21-22. Co-sponsor is the UNIVERSIYT OF MARYLAND. Among speakers are CHRISTINE GOERTZ, DC, PhD, with the NIH NCCAM, and BRIAN BERMAN, MD, and HUGH MACPHERSON, PhD, on innovations in acupuncture research. www.acupunctureresearch.org or Howard Moffet, LAc, at 415-554-0154.

4. MISCELLANEOUS: HBMN, CAM DOCUMENTARY, COMMISSION APPOINTEE, PLUS

A. The HOSPITAL BASED MASSAGE NETWORK which folded as a newsletter last year has opened up shop online at www.hbmn.com. The labor-of-love newsletter under LAURA KOCH, RN, claims connections to 90 hospital programs nationwide.

B. A significant documentary on CAM will air 10 times on Fox the week of October 2. The documentary, funded in part through a grant from NCMIC GROUP, is the brainchild of LOU SPORTELLI, DC, and was created by IRV DAVIS. The program will air on Mon, Wed, Fri, Sun at 9:30 PM EST, and again at 12:30AM EST.

C. The rumored appointment of VERONICA GUTIERREZ, DC, to the WHITE HOUSE COMMISSION ON CAM POLICY is intriguing. Gutierrez is a board member of the WORLD CHIROPRACTIC ALLIANCE, a dissident organization which opposes the chiropractic profession’s leading professional organization, the AMERICAN CHIROPRACTIC ASSOCIATION which it views as medicalizing the profession. In its literature, the WCA appeals to “passionate, purpose driven, subluxation-based chiropractors.” Though based in Washington state, Gutierrez has not been active in any of that state’s significant, multi-stakeholder integration initiatives. In other Commission related news, a first in a series of public hearings is anticipated to be in San Francisco, in early September. The Commission anticipates mixing regional fact-finding meetings involving 3-4 Commissioners and staff, with full Commission hearings in DC.

D. ASPEN PUBLISHING is now marketing a trio of books in cooperation with the AMERICAN HOLISTIC NURSES ASSOCIATION. The trio include: “Holistic Nursing: A Handbook for Practice, Third Edition,” “Core Curriculum for Holistic Nursing,” and AHNA’s “Standards of Holistic Nursing Practice.” For the AHNA, 800-278-AHNA. For Aspen: 800-638-8437.

E. Attorney and lobbyist TONY MARTINEZ has taken a position as vice president for government affairs with AMERICAN SPECIALTY HEALTH. Martinez came into leadership nationally in work to pass the 1994 Dietary Supplement Health and Education Act. He’s since
been instrumental in work on the legislation to create the NIH NCCAM. Martinez has been working with ASH on a range of issues as an attorney and lobbyist in recent months, including the successful effort to place ASH CEO GEORGE DEVRIES on the WHITE HOUSE COMMISSION.

F.

The AMERICAN ASSOCIATION OF NATUROPATHIC PHYSICIANS has set up its new office in the Beltway. Contact is: 8201 Greensboro Drive, Suite 300, McLean, Virginia 22102. Phone: 703-610-9037; FAX: 703-6109005, and E-MAIL: info@AANP.com.

End, Industry/Health News File #66, August 15, 2000

INDUSTRY/HEALTH NEWS FILE #67, August 30, 2000

1. FAMILY MEDICINE CAM CME GUIDELINES: DOUBLE STANDARD?
2. ACAM: MEDICAL BOARDS’ “HOT LIST” OF QUESTIONABLE CAM TREATMENTS
3. CHIROPRACTORS SUE BLUES PLANS: ACA-VCA/TRIGON, PCA/INDEPENDENCE
4. WHITE HOUSE COMMISSION TOWN HALL MEETINGS
5. CAM PROFESSIONS: NEVADA DOCS/MD CAM, FLORIDA DOCS/ACUPUNCTURE
6. DOT-CAM: MOTHERNATURE OFFER, WHMD ADVISOR DISCONTINUED, PLUS

A Service for the INDUSTRY/HEALTH Subscriber

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and IntegrativeMedicine (onemedicine.com).

(c) IntegrativeMedicine 2000

COMMENT: While working this week on a white paper documenting the May 2000 Integrative Medicine Industry Leadership Summit, I was struck, again, by the metaphors of embattlement used by leading integrators: an HMO described as a “battleship”, a nurse group seeking a “non-threatening way” to present CAM to physicians, and a leading researcher referencing the need to take an “aikido approach.” The language of battle is commonplace. (See June INTEGRATOR, lead story.) In this News File are confrontational legal tactics from the American Chiropractic Association. This approach is questioned by many. Is it necessary? Yet one must honestly ask where our nation’s fits-and-starts of integration would presently be had the ACA not successfully waged and won its 10 year anti-trust suit against the AMA (Wilk versus AMA)? Where would coverage of CAM be had not professional associations, backed by consumers, successfully forced insurance coverage through mandates? Calls of CAM integration activists to “transform American healthcare” often fail to acknowledge that the transformed landscape needs to be wrested from the present policies, prejudices, behaviors and, quite often, present occupants. – John Weeks

1. FAMILY MEDICINE CAM CME GUIDELINES: DOUBLE STANDARD?

The issues surrounding approval of continuing education credits in CAM are the focus of an article in the AMA’s AMERICAN MEDICAL NEWS (“CME Sleuths: Courses that promote unproven, dangerous or outdated medical practices are under scrutiny by accrediting organizations and medical licensing boards,” by Jay Greene, August 14, 2000, page 10-11). The writer notes that the FEDERATION OF STATE MEDICAL BOARDS has, since 1997, been questioning the “lack of content validation” of some CAM courses. The Federation questions “the appropriateness of some CME courses on CAM” which physicians are using for re-licensing. The AMERICAN ACADEMY OF FAMILY PHYSICIANS is developing a new accrediting strategy for CME under the direction of vice president of education and science NORMANKAHN, MD. Two other significant accreditors, the ACCREDITATION COUNCIL FOR CONTINUING MEDICAL
EDUCATION and the AMERICAN OSTEOPATHIC ASSOCIATION, are following the AAFP’s lead. Kahn characterizes the standards this way: “We don’t pass judgement on alternative therapies. But we will not accredit dangerous medical practices.” However. The AAFP found, on reviewing 100 alternative medicine courses, that “a significant minority of the (CME) providers gamed the system quite badly,” in Kahn’s reported words. Under the new standards, courses must be either “evidence-based” or they could “contain customary and generally accepted medical practices.” A third category is the for therapies which are not dangerous but not evidence based nor customary, but is only for elective credit. The article notes that the AAFP may also be developing a list of what they consider to be “dangerous courses.” Two examples noted: Chelation for arteriosclerosis and craniosacral manipulation. A physician opponent of the new standards was quoted as saying that the standards may limit teaching of the artful sides of medicine: “Medicine is an art and not a flow chart process with checklist items.”

COMMENT: Approval of CME is clearly on of the gates to the Kingdom of mainstream practice, approval, coverage and acceptance. INTEGRATOR readers will know that conventional medicine has until now drawn a line in the sand between education “about” CAM and education in “how-to” provide clinical CAM services. This new standard is a refinement. Yet it unfortunately appears to be institutionalizing a double standard. Approval of courses that focus on “customary and generally accepted medical practices” means that time-tested conventional practice can be taught and approved whether or not evidence-based. But that which is time-tested and acceptable to alternative providers, but not evidence-based, is excluded -- except, perhaps, under the elective category. Under this standard, what’s good for the goose is, well, good for the goose.

2. ACAM: MEDICAL BOARDS’ “HOT LIST” OF QUESTIONABLE CAM TREATMENTS

An e-report from the AMERICAN COLLEGE FOR THE ADVANCEMENT OF MEDICINE, a national organization representing CAM-oriented physicians, recently published a list of what it believes the FEDERATION OF STATE MEDICAL BOARDS views as the “10 deadly sins” in CAM practice. The 10 focal areas listed by ACAM are: chelation therapy, electronic diagnostic devices, clinical ecology (including Candida treatment), vitamin/mineral/herbal sales in physicians offices, homeopathy, prolotherapy, certain CAM laboratory tests, diagnosis/treatment of chronic fatigue, cancer treatment, and alliances between physicians and chiropractors (particularly in the areas of pain and disability.)

3. CHIROPRACTORS SUE BLUES PLANS: ACA-VCA/TRIGON, PCA/INDEPENDENCE

A. The AMERICAN CHIROPRACTIC ASSOCIATION and the VIRGINIA CHIROPRACTIC ASSOCIATION filed a suit in federal court against Virginia-based TRIGON HEALTHCARE and the NATIONAL BLUE CROSS BLUE SHIELD ASSOCIATION, accusing the plans of illegal acts in chiropractic management practices. Trigon is the second largest publicly-traded Blues plan in the nation. The suit follows a similar ACA action against the US DEPARTMENT OF HEALTH AND HUMAN SERVICES which claimed the Medicare+Choice guidelines also illegally limit chiropractic services. Trigon’s chiropractic benefit, until recently managed by AMERICAN CHIROPRACTIC NETWORK, was taken over this year by AMERICAN SPECIALTY HEALTH NETWORKS. Targeted is a $500 reimbursement cap that Trigon allegedly has imposed on “manipulation services” performed by chiropractors but not by other healthcare providers, such as osteopaths. The suit also asserts that Trigon pays chiropractors 40% less than medical doctors for the same or similar services. According to a Reuters report, Trigon views the suit as without merit. The ACA’s challenge is led by GEORGE MCANDREWS, the lead attorney in the Wilk vs. AMA lawsuit and also the lead counsel in ACA’s litigation against HHS. The suit, like Wilk, posits the existence of a conspiracy against chiropractic. DOUGLAS COX, DC, president of the VCA, states: “Managed care groups like Trigon and the national Blue Cross Blue Shield association have been conspiring with managed care bureaucrats and medical doctors to keep the chiropractic profession down -- to keep us from encroaching on the medical establishment’s
market share.” ACA president JAMES MERTZ, DC, calls the suit “by far the most significant legal action ever taken by our profession against the insurance industry.” For the ACA: 800-986-4636.

B. The PENNSYLVANIA CHIROPRACTIC ASSOCIATION filed suit again INDEPENDENCE BLUE CROSS for “improperly denying needed chiropractic care to its patients in order to maximize profits,” according to an August 22 release. Joining the PCA in the suit were the SOUTHERN NEW JERSEY CHIROPRACTIC SOCIETY, two individual chiropractors and two former health plan subscribers. The suit targets a IBC “pre-certification” process which the PCA says is aimed at “discouraging or denying coverage for chiropractic services.” Also named are nine IBC subsidiaries: AmeriHealth, Inc.; Keystone Health Plan East, Inc.; AmeriHealth HMO, Inc.; Healthcare Delaware, Inc.; American Health Alternatives; AmeriHealth Insurance Co.; QCC Insurance Co.; Vista Health Plan, Inc.; and AmeriHealth Administrators. The PCA action follows a failed attempt to resolve differences face-to-face, according to the PCA. At issue are an array of IBC management strategies including refusal to pay for certain services, limits on the number of treatments, use of nurse reviewers rather than chiropractors in pre-certification denials, and deeming as ineffective chiropractic treatment progress which the PCA views as successful care. IBC responded with an August 23 statement saying that the plan is “neither surprised nor intimidated by this action.” IBC notes that while similar issues were brought to the attention of the American Accreditation HealthCare Commission/URAC during IBC’s accreditation hearings last year, and IBC was approved.

4. MIDWIFERY: ACNM AGAINST C-SECTIONS; HOMEBIRTH EDUCATION ADVANCES

A. NURSE MIDWIVES SPEAK OUT AGAINST GROWING C-SECTIONS

Claiming that women are “not getting the whole story,” the AMERICAN COLLEGE OF NURSE MIDWIVES criticized “the alarming call from some physicians that women should be given the opportunity to make a choice between a vaginal birth and a cesarean section.” In an August 29 release, ACNM president JOYCE ROBERTSM CNM, PhD, stated: "We are on the verge of surgically removing a baby just for convenience." The ACNM release came on the heels of a study in JAMA which found that women who had cesarean deliveries were almost twice as likely to be rehospitalized than women who had vaginal deliveries.( Lydon-Rochelle M, Holt VL, Martin DP, Easterling TR. Association between method of delivery and maternal rehospitalization. JAMA 2000;283:2411-2416.) Roberts states: "A review of the history of childbirth in the U.S. provides evidence that recommendations for elective cesarean sections are part of a worrisome pattern. For years women were told that cutting the vagina (an episiotomy) during child birth would prevent problems for women in their later years. Then, they were told that once a woman had a c-section she should always have a c-section. Both of these approaches have now been shown to be bad practice." ACNM argues that cesarean section and induction of labor should be performed only when medically indicated. In some sections of the country over 50% of women are given c-sections. ACNM’s 7,000 members provide care for 9% of the nation’s vaginal deliveries. www.midwife.org; 202-728-9876

B. EDUCATION OF EUROPEAN STYLE DIRECT ENTRY MIDWIFERY ADVANCES

The MIDWIFERY EDUCATION ACCREDITATION COUNCIL, the accrediting body representing direct entry (non-nurse) midwifery education programs, is under review from the US DEPARTMENT OF EDUCATION to gain formal recommendation. An INTEGRATOR interview with JOANNE MYERS-CIECKO, MPH, director of the SEATTLE MIDWIFERY SCHOOL, found that the DoE has been “very helpful,” in Myers-Ciecko’s words, in the process. The profession’s application was boosted, according to Myers-Ciecko, by inclusion of direct entry midwives in a recent study of midwives by the UCSF CENTER FOR THE STUDY OF HEALTH PROFESSIONS. The PEW COMMISSION-supported study recommended growth for the profession. A decision on MEAC’s status will be made in a December 2000. Myers-Ciecko also revealed that the Seattle school she directs is initiating, in collaboration with representatives from
the MASSACHUSETTS MIDWIFERY ALLIANCE, a distance learning-based, online pilot which minimizes onsite didactic instruction and facilitates quicker movement of students into birth observations. Students in the new program are required to come onsite for monthly three day intensives either in Seattle or the SPRINGFIELD COLLEGE campus in Manchester, New Hampshire. Requirements for both observations and managements are higher for direct entry midwives than for certified nurse midwives. www.seattlemidwifery.org

COMMENT: Natural childbirth, and especially homebirth or birth in a low-tech environment, are arguably the most profound of natural healthcare experiences. The lesson of such a birth is that power is in the individual and the process, rather than the physician and the machinery of obstetrics. Yet natural childbirth is not generally listed among the "alternative approaches" which constitute CAM. An argument for embracing midwifery as part of the CAM movement is that the ability to respect the body’s natural ability to heal -- a core principle of most CAM providers -- in future healthcare decision processes may never quite recover from high-tech obstetrics’ lesson that the body can’t give birth naturally.

5. WHITE HOUSE COMMISSION TOWN HALL MEETINGS

The WHITE HOUSE COMMISSION has announced the first of its Town Hall meetings, to be held in San Francisco on September 8. The next meeting is scheduled for October 30-31 in Seattle. The Commission has an electronic mailing list for those interested. Contact is MICHELE M. CHANG, MPH, executive secretary, at 301-435-6232.

6. CAM PROFESSIONS: NEVADA DOCS/MID CAM, FLORIDA DOCS/ACUPUNCTURE

A. The CALIFORNIA SOCIETY OF ORIENTAL MEDICINE AND ACUPUNCTURE recently reported that the FLORIDA MEDICAL ASSOCIATION is suing the FLORIDA BOARD OF ACUPUNCTURE to limit acupuncturists’ scope of practice, particularly in the area of ordering lab tests. AMA has recently resolved that only a MD, DO, or dentist should be able to order lab tests. 800-477-4564.

B. The NEVADA BOARD OF MEDICAL EXAMINERS has recently approved new rules for medical doctors who use unconventional methods. The new rules require physicians using unconventional methods to keep detailed records, get informed consents from patients, and say whether conventional treatments were tried. Board member DON BAEPLER, MD, took the lead on the rule writing. Nevada is one of three states -- the others are Arizona and Connecticut -- which have separate homeopathic medical boards. The state's BOARD OF HOMEOPATHIC MEDICAL EXAMINERS and the conventional medical board had been in conflict over scope of practice issues.

7. DOT-CAM: MOTHERNATURE OFFER, WHMD ADVISOR DISCONTINUED, PLUS

A. SITESTAR, a California investment firm offered MOTHERNATURE.COM a $11.4 million buy-out offer. The offered share price was at 75 cents, a 50% premium over the stock value on August 24. The company hasn’t yet made money losing $ 8.9 million on sales of $ 3.4 million for the quarter ending June 30. The firm had roughly $30 million cash on hand as of the filing. MotherNature’s board was reportedly evaluating the offer.

B. MICROMEDEX has joined the growing list of firms offering an interactions database for professions. The firm recently introduced AltMed-REAX.

C. WHOLEHEALTHMD.COM has announced to subscribers of its hard-copy consumer newsletter, “WholeHealthMD Advisor,” that the newsletter will discontinue publication following the September issue. The explanation: “The economic realities of launching a new newsletter in
today’s media climate make it impossible for us to continue to publish the Advisor.” Subscribers will receive the “Berkeley Wellness Letter.”

D. The September issue of Forbes magazine has reviews various consumer sites. Among those applauded are The Natural Pharmacist, EarthMed, and WholeHealthMD. (www.forbesbest.com)

E. According to an August 8 announcement from the firm, WALGREENS pharmacy patients can now add information on herbs and OTCs to their online pharmacy profiles. The new data is intended to allow the firm’s pharmacists to identify possible drug interactions.

End, INDUSTRY/HEALTH News File #67

INDUSTRY/HEALTH NEWS FILE #68, September 11, 2000

1. TWO CANCER PROGRAMS: MD ANDERSON, SLOAN KETTERING
2. TAPESTRY GROUP: TEACHERS CONTRACT, MEDICATION REDUCTION
3. GROUP SEEKS DEMONSTRATION PARTNERS FOR HEALTH COACH PROGRAM
4. MANAGED CARE: PRISM/HIP, AMI KICKS OFF PPO, IBC/AMERIHEALTH IN DISCOUNT
5. MEDIA: VICUS/NCTMB, DILLARD/ONHEALTH, COHEN/CLINIC RISK
6. EDUCATION AND CONFERENCES: HARVARD, UCLA, SLOAN KETTERING
7. MISCELLANEOUS: WELLCALL, NATIONAL UNIVERSITY, MARTINEZ/ASH

A Service for the INDUSTRY/HEALTH Subscriber

INDUSTRY/HEALTH is a joint project of Integration Strategies for Natural Healthcare and IntegrativMedicine (onemedicine.com).

(c) IntegrativMedicine 2000

1. TWO CANCER PROGRAMS: MD ANDERSON, SLOAN KETTERING

A. MD ANDERSON: CAM EDUCATION PROGRAM MODEL

MD ANDERSON, the Houston, Texas-based cancer center, is fully funding a body-mind oriented complementary medicine education 2700 square foot center, PLACE OF WELLNESS, which has had 10,000 patient visits as of the end of August. The program offers between 70-90 programs a month to the cancer center’s huge patient census of 1200-1800 per day according to program administrator JUDY GERNER. Most are individual sessions rather than serial programs, because of the transient nature of the patient population and the nature of cancer patients: “Sometimes they just don’t feel right.” The cost of the Place of Wellness to MD Anderson is probably $300,000-$350,000 each year, Gerner told THE INTEGRATOR, mainly representing three line items: a $60,000 building and overhead allocation, staff (a part of Gerner’s salary and three other FTEs), and a management and operations account of $35,000. Gerner, whose other responsibilities include managing a cancer info-line the MD Anderson Patient Support Network, which Gerner credits with birthing the Place of Wellness. She laughs: “Nothing I am responsible for is a money maker.” Keeping costs at the Place of Wellness to a minimum is a speaker-facilitator plan which leans heavily on full-time MD Anderson staff, a pool of 10,000 including 700-800 physicians. Outside facilitators often donate their time, according to Gerner, who has also raised $70,000 in donations. Why the institutional support? Gerner notes one possible, indirect financial benefit: when center attendees need additional services they are referred to MD Anderson staff. Gerner attributes support to a philosophy of patient care: “MD Anderson truly believes we must care for the whole individual.” (MD Anderson president) Dr. John Mendelsohn is fully supportive.” Gerner notes, however, that the programs have not yet penetrated very deeply.
into physician practices: “The percentage of those coming through (MD Anderson) who use our services is incredibly small.” Only a very small percentage of physicians refer. A tiny in-patient component has been initiated at the conservative center, starting with music therapy in the ICU and “hopefully” relaxation massage in the waiting rooms. The front-edge debate is over use of therapeutic touch, which is quietly being delivered in some places in the sprawling facility but is not formally offered. Gerner is completing an in-depth analysis of all the CAM quietly being offering at the site at this time. 800-345-6324mdanderson.org

B. MEMORIAL SLOAN KETTERING CHARGES FOR CAM SERVICES

The Fall 2000 issue of the “Massage Therapy Journal,” a publication of the AMERICAN MASSAGE THERAPY ASSOCIATION, includes a 45 page, 6 article section on massage in cancer treatment. One article looks at the massage in the INTEGRATIVE MEDICINE SERVICE program at the MEMORIAL SLOAN KETTERING CANCER CENTER. Massage is offered at all 3 MSKCC sites, both inpatient and outpatient. The article also includes fee schedules for various services. Interestingly, they vary, depending on the site. At the inpatient site: Massage in inpatient, $45 (45 minutes), reflexology $45, acupuncture initial visit #130, acup. follow-up $110. At the chemotherapy suites: massage $45, relaxation $45, massage package of 10 sessions $400; and at the IMS: massage $90 (60 minutes), relaxation $80, Nutrition $90, Music (individual) $80; Music (group) $15; art (individual) $80; art/group $15; acupuncture $130. Classes run $10-$15. Packages are available: $720 for massage/relaxation/music/art (10 visits), fore 10 classes, $80. Chanting and toning classes of 10 $120. The article notes that MSKCC will be offering courses on massage for cancer patients. (See EDUCATION.)

2. TAPESTRY GROUP: TEACHERS CONTRACT, MEDICATION REDUCTION

THE INTEGRATOR recently learned that the union-oriented marketing focus of Boston, Massachusetts-based TAPESTRY GROUP has secured a contract with the MASSACHUSETTS TEACHERS ASSOCIATION. The firm will manage an affinity program through its clinics and a statewide network of CAM providers for the 90,000 member organization representing 200,000 covered lives. Tapestry will be “wired into their website” according to MICHAEL SHOR, MPH, Tapestry’s co-founder. The program is two-tiered with a premium card which gives members access to additional benefits WHAT ARE THEY??) Shor also says employer interest in Tapestry’s services is up significantly, with “more in the last three months than the previous nine.” Tapestry’s clinics distinguish themselves, particularly among clinics not directly owned by hospitals, by their high percent of patients which are MD referred, now at 24 percent. The firm now is a formal affiliate of the MASSACHUSETTS COLLEGE OF PHARMACY. One new program noted on the firm’s website is a “Medication Reduction Program,” co-directed by LANA DVORKIN, PHARM D, with MCP, and Tapestry clinical director JERRY CANTOR, LAC. Like the Longmont program, no medical doctors are onsite. tapestrycare.com

3. GROUP SEEKS DEMONSTRATION PARTNERS FOR HEALTH COACH PROGRAM

A group called the WORLD HEALTH AND HEALING COLLABORATIVE is looking for health system partners in developing a “starter kit” for integrating health coaching into health care systems and integrative centers. WHHC presently has two systems working with them to pilot the program -- MERCY in Grand Rapids, Michigan, and SWEDISH AMERICAN in Rockford, Illinois - and is seeking 4-6 others. The WHHC health coach training program unites principals of business “coaching” with integrative medicine principles, according to WHHC’s co-founders LINDA BARK, RN, and REMA BIELKUS. The starter kit, which will be created as health coaching is integrated into the participating systems, will eventually include such things as job description, HR issues for leveling the position among other practitioners, holistic assessments, administration forms and processes, billing, codes, cost benefits, development of in house support for the role, marketing materials and outcome research. The kits are viewed as an attempt to “leverage”
the value of the health coaching inside the system, states Bark. Involved health systems become co-developers and participate in various benefits. 878 PHONE

4. MANAGED CARE: PRISM/HIP, AMI KICKS OFF PPO, IBC/AMERIHEALTH IN DISCOUNT

A. Lancaster, New York-based PRISM NETWORK, INC., recently inked a contract to managed chiropractic care for the 700,000 members of HEALTH INSURANCE PLAN OF NEW YORK. The management is direct access with a required pre-authorization. The network’s June-July newsletter also noted that the firm’s executives are involved in educating third year medical students on chiropractic treatment at the UNIVERSITY OF BUFFALO. In addition, researcher PAUL BLUESTEIN, DC, is leading a team that is attempting to “establish standardized protocols for the treatment of a specific diagnosis” which can be used as a tool to compare again individual provider practices. A sub-set of providers is being used to develop the protocol strategy before rolling out the measuring project more broadly. Bluestein chairs the networks quality assurance committee. 716-681-1112

B. Chicago-based ALTERNATIVE MEDICINE INC, developer of a unique CAM product which utilizes chiropractors as primary care providers (INTEGRATOR, January 2000), has rolled out as new preferred provider product which also promises to fully integrate conventional and CAM services using the DC-PCP with MD back-up and medical direction. The benefit, which targets both self-funded plans and insurers, was quietly introduced last spring and has already been “embraced by” CHICAGO TRANSIT AUTHORITY, ILLINOIS PARK EMPLOYEES HEALTH PLAN and COMMONWEALTH EDISON, according to a mid-August release from the firm. The release includes a 24 carat quote from Commonwealth Edison’s director of health care, KATHLEEN ARCHIBALD SIMON: “I believe we can reduce costs, improve health and improve productivity and also improve attitudes by incorporating alternative medicine with traditional medicine into our medical plan." 847-675-2580

C. The 2.6 million members of Philadelphia-based INDEPENDENCE BLUE CROSS will have access to a discount affinity product through San Diego-based AMERICAN SPECIALTY HEALTH NETWORKS. The will IBC’s president and CEO G. FRED DIBONA, JR, explained the move this way in a September 7 release: "Independence Blue Cross has recognized its members’ call for more choice and for access to care beyond traditional medicine." The program has a 30% provider discount in the 9 county area of their largest membership. In a related statement, the 312 members of IBC affiliate in New Jersey and Delaware, AMERIHEALTH, will offer members a similar benefit.

5. MEDIA: VICUS/NCBTMB, DILLARD/ONHEALTH, COHEN/CLINIC RISK

A. An article at Vicus.com (August 24, 2000) notes that the NATIONAL CERTIFICATION BOARD FOR THERAPEUTIC MASSAGE AND BODYWORK is seeing a 14% increase in certification tests being taken this year, to 1000 per month from 600 five years ago. Testing jumped after 1995 when NCBTMB moved to an electronic format. Vicus.com/news_views/news_detail/1,1042,19589,00.html

B. JAMES DILLARD, MD, DC, medical director for CAM at OXFORD HEALTH PLANS, may be the top CAM spokesman on the world wide web. Dillard is a visible presence on the homepage of the leading health site, ONHEALTH.COM, and also assists the firm in qualifying its CAM content. OnHealth, which has over 9 million unique viewers each month, attributes some of its growth to the CAM interest of the users. The firm is involved in merger with WEBMD, of HEALTHEON/WEBMD, the #2 health site.

C. The July 2000 issue of the “Orange County Lawyer,” a publication of the Orange County Bar Association, includes a useful article by attorney MICHAEL COHEN entitled “Advising Health
Care Institutions Integrating CAM Providers.” Cohen uses case law in Michigan to explore the complexity of allowing acupuncture services in that state. Cohen notes that the legal framework does not often support optimal care integration: “The legal rules are built by accretion and are not based on a rational, systematic approach to human health.” www.ocbar.org Cohen is at lawmed2000@aol.com.

D. The September 2000 issue of “Natural Business” includes a profile of a Boulder, Colorado start-up BOULDERHEALTH NATURAL PHARMACY which is incubating a pharmacy model which will also have rooms for customers to privately consult with onsite pharmacists, nutritionists herbalists “and other holistic health care professionals” in the 3800 square foot environment. Founder nasd co-CEO BARRY PERZOW projects 100 stores nationally in 2-4 years through targeting the nation’s 30,000 independent pharmacists. The issue also includes a useful interview with retired BASTYR UNIVERSITY president JOSEPH PIZZORNO, ND, in which he talks about the short-falls in the evolving relationship between the natural products industry and the CAM movement. He views the consolidation of the natural foods industry as limiting further already sparse funding for CAM education, research and political initiatives.

6. EDUCATION AND CONFERENCES: HARVARD, UCLA, SLOAN KETTERING

A. HARVARD MEDICAL SCHOOL is now offering a videoconference module for CME based on 14.75 lecture hours in Eisenberg’s annual course. $595; 617-432-1525.

B. The UCLA CENTER FOR EAST-WEST MEDICINE is offering a one day course on October 29, 2000 entitled “Integrative East-West Medicine: Blending Chinese and Western Medicine to Enhance Patient Care.” The focus this year, the fifth for the conference, will be on management of patients with chronic pain using integrative approaches. The meeting is offered in collaboration with the ASIAN PACIFIC AMERICAN MEDICAL STUDENT ASSOCIATION. A flier from UCLA, where the integrative program, in operation since 1993 and directed by KA KIT HUI, MD, FACP, notes that 150-200 attendees are anticipated. The program is also seeking corporate sponsors at $500 donation and up. 310-206-1876

C. MEMORIAL SLOAN KETTERING CANCER CENTER is offering a “Medical Massage for the Cancer Patient” course on October 28-30. Included in the multi-faceted course are legal-ethical issues, self-care strategies for the therapist, contraindications, demonstration as well as clinical indications. Cost: $350, plus $15 for an elective ½. 212-639-8629

7. MISCELLANEOUS: WELLCALL, NATIONAL UNIVERSITY, MARTINEZ/ASH

A. San Francisco-based WELLCALL notes in a summer newsletter notes that employers are increasingly requesting “onsite preventive health programs” and “internet-based resources,” calling these part of an “emerging trend among employers to support health self-management.” WellCall, which provides these services, is expanding its onsite massage therapy and its interactive online services. www.wellcall.com

B. Chicago-based NATIONAL COLLEGE OF CHIROPRACTIC officially became NATIONAL UNIVERSITY OF HEALTH SCIENCES on September 1, 2000, in a move which announced the institution’s intention to educate a broad array of natural health providers. Current programs are chiropractic, in a College of Professional Studies, and massage in the College of Allied Health Sciences, with new enrollment at 104 and 40, respectively, “right on target” according to a message from the institution’s president JAMES WINTERSTEIN, DC.

C. CAM and natural products advocate, Congressional lobbyist and attorney TONY MARTINEZ, one of the legal experts featured in the September INTEGRATOR, has takes a position as vice president for governmental affairs for AMERICAN SPECIALTY HEALTH, INC.
Martinez, who rose to prominence as a natural products industry advocate in D.C. during the campaign which led to the 1994 Dietary Supplement Health and Education Act, has close ties to leading CAM-supportive politicians in Congress. Martinez has consulted with ASH over the past year and is credited for paying the groundwork for ASH CEO GEORGE DEVRIES’ appointment to the WHITE HOUSE COMMISSION ON CAM POLICY. Martinez, who will also be involved with the firm in state activities, will continue to work out of his Washington, D.C. offices.

D. The word in Washington, DC, from CANDACE CAMPBELL, executive director of the AMERICAN PREVENTIVE MEDICAL ASSOCIATION, is that the funding for NIH NCCAM is expected to jump from $70 million to $100 million in 2001.

Ends, News File #68, September 11, 2000