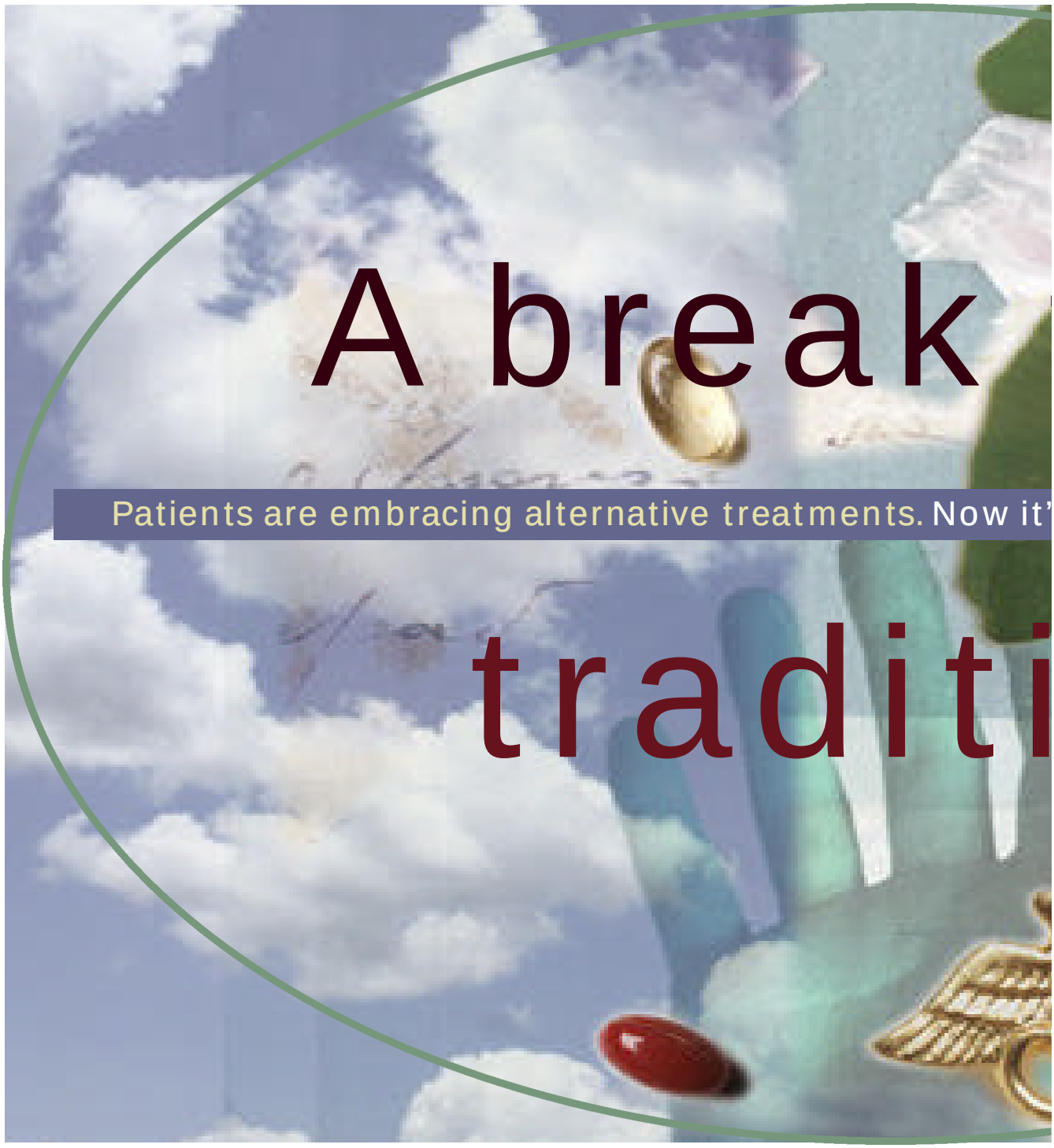


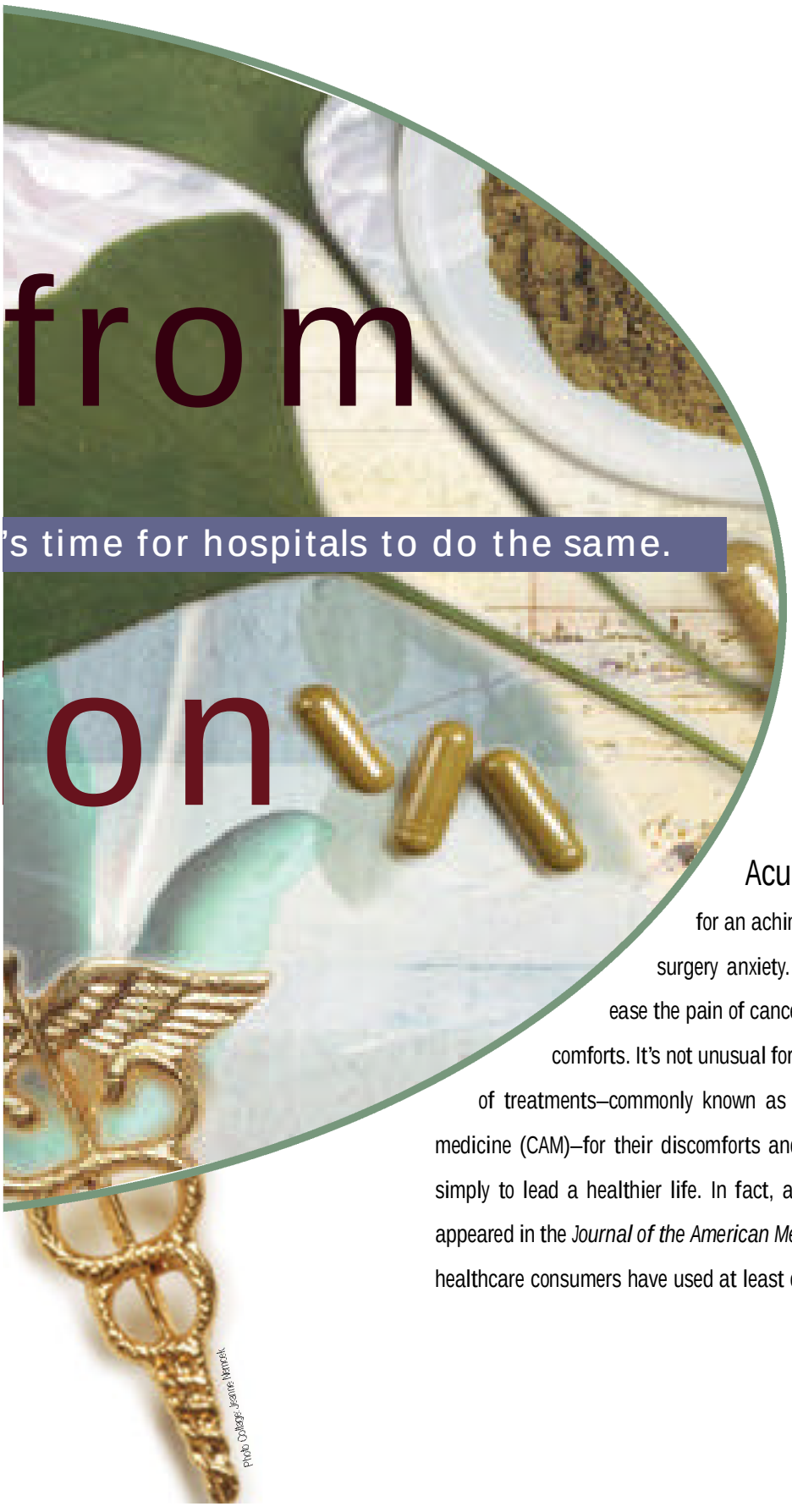
# A break

# tradi ti

Patients are embracing alternative treatments. Now it'



**By Elayne B. Howard and Karin Gillespie**



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## 's time for hospitals to do the same.

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Photo Collage: Jeanne Nemeth



### Acupuncture or massage

for an aching back. Hypnosis to handle pre-surgery anxiety. Aromatherapy or meditation to ease the pain of cancer. Yoga to manage prenatal discomforts. It's not unusual for patients to seek out these kinds of treatments–commonly known as complementary and alternative medicine (CAM)–for their discomforts and chronic medical conditions or simply to lead a healthier life. In fact, according to a 1998 survey that appeared in the *Journal of the American Medical Association*, about 42% of healthcare consumers have used at least one CAM therapy.

Still a palpable tension exists between CAM and conventional medicine. Many CAM modalities have not been rigorously tested, but consumers are using them anyway. Unfortunately, because patients are aware of this tension between their physicians and CAM providers, they often don't tell their physicians about complementary therapies they're using. According to the White House Commission on Complementary and Alternative Medicine Practices (WHCCAMP), about half of cardiac surgery patients don't inform their physicians about their complementary treatments.

## CAM Delivery Models

Across the nation, hospitals and some physician groups have entered the market to deliver CAM services, recognizing that patients are typically going outside of the established healthcare system to get them. Hospitals and physicians want a piece of the CAM pie. In fact, the American Hospital Association's 2000-2001 CAM Survey found that 23% of more than 5,800 hospitals surveyed now provide some type of hospital-based CAM services. Hospitals and physicians have developed a number of different models for delivering CAM services to consumers. In our research, we identified the following six distinct CAM delivery models:

1. **Hospital-sponsored freestanding comprehensive CAM programs.** With this type of program, hospitals create a distinct product line and offer a wide range of CAM therapies. These programs are typically supervised by a medical director and include several other physicians on staff, as well as a number of CAM providers who are either salaried or work under a contractual relationship. Other hospital physicians may or may not refer to the program, so self-referrals often account for significant patient volume.

Beth Israel's Continuum Center for Health and Healing in New York City is an example of a hospital-sponsored freestanding CAM program. The center, which opened in June 2000 and expects to break even by the end of 2003, still relies on philanthropy and aggressive fundraising to cover operating costs. The center contracts with CAM providers, and consumers pay for their services out of pocket. According to Barbara Glickstein, director of clinical services and community outreach, the center markets directly to consumers. Referrals from traditional physicians are limited, so most of the center's clients are self-referrals. With the abundance of massage therapy, yoga, and Pilates offered in the community, Glickstein has found that services targeted to individuals with chronic conditions bring in more clients than mass marketing to the "worried well."

2. **Hospital-sponsored integrative medicine programs.** This program combines both conventional medicine and CAM services in patient treatment. Centers may be freestanding or located within the hospital itself. Typically, patients require a physician referral and assessment to access services. These programs, too, are usually supervised by a medical director and have other physicians on staff. The programs emphasize using both Western and Eastern medicine to treat patients' conditions.

The Center for East-West Medicine at UCLA, established in 1993, brings together therapies from both cultures. The center's mission is to "improve health, well-being, and the quality of life by bringing together the best of modern Western and traditional Chinese medicine." A decade ago, the center started as part of the internal medicine department and recently moved to a separate 3,800-square foot facility. The majority of patients seen at the center are referred by their physicians for conditions that range from chronic pain and degenerative arthritis to depression and anxiety. Patients are examined and evaluated by both Western-trained physicians with extensive knowledge and experience in traditional Chinese medicine and licensed acupuncturists. Clinicians discuss each case and

Physicians who under

develop an integrated treatment approach tailored specifically to the patient's condition that may include acupuncture, therapeutic massage, appropriate drugs, dietary supplements, and tai chi exercises. For many of these patients, the center is their "clinic of last resort" because western medicine has not been successful in alleviating their pain or discomfort.

3. **CAM therapies integrated within hospital service lines/departments.** When a hospital integrates CAM therapies within service lines or departments, it usually doesn't market or offer them as distinct programs. For example, a hospital's cancer program may include acupuncture, massage, aromatherapy, and yoga. The hospital's emphasis is on the service line, and CAM therapies are often included to gain a competitive edge and meet consumers' demands. Catholic Health Initiatives (CHI), a national not-for-profit healthcare organization, began integrating alternative modalities into its hospital service lines in 1995.

According to Milt Hammerly, CHI's director of integrative medicine, the first attempts to bring CAM into CHI were met with resistance. A focus on patient needs was essential to overcoming physician resistance. Some hospitals are further ahead than others, Hammerly says, based on community demand, the availability of CAM practitioners, and staff receptivity. For example, Penn North St. Francis in Colorado

Springs brought on board an acupuncturist trained in traditional Chinese medicine (TCM) to enhance its rehab program. St. Anthony's Central in Denver created an integrative health healing service team, a roving team of practitioners that travels to the patient floors to provide massage, aromatherapy, and therapeutic touch.

4. Physician-sponsored freestanding CAM programs. This model looks much like the hospital-sponsored freestanding CAM program except it's owned and operated by a physician group rather than a hospital. These programs are typically started by a physician who is a strong advocate of CAM. Although the initial success of such a program may be tied to the reputation of the physician, its long-term success depends on both good management and good marketing.

Located in New York City, Haelth is an unaffiliated wellness center founded in early 2001 by William Fair, a surgeon at Memorial Sloan-Kettering Cancer Center who turned to alternative therapies to help battle colon cancer. Haelth has no doctors on staff, but its practitioners work closely with clients' physicians. Today, according to Bill Fair Jr., the founder's son who now runs the center, Haelth's clients are divided 60:40 between individuals with chronic conditions and the "worried well."

This client division means most of Haelth's marketing efforts are dual-sided, to emphasize the benefits of Haelth for two groups that view it and use it so differently. Getting clients to understand Haelth as a concept and getting them in the door is the hard part, notes Fair. Ultimately, their conversion rate from first-time visitor to client is very high, at about 85%. Fair has found that their current clients are their best marketing tool. About 52% of new clients come to Haelth because of positive word-of-mouth marketing by existing clients.

5. Health-fitness programs with limited CAM offerings. This model looks more like a health club than a CAM program. It may be owned by a hospital, a physician group, for-profit investors, or some other entity. Typically, the CAM therapies offered are the more well-known and widely used ones—like massage and yoga. Users of these CAM modalities tend to view them as augmenting their exercise programs, part of an overall strategy to maintain a healthy lifestyle.

6. Virtual integrative medicine programs. In this model, a hospital or other healthcare organization partners with a range of alternative medicine practitioners in the community to provide patient services. The practitioners remain within the community setting, managing their own practices and expenses. The hospital or healthcare organization credentials the providers to make sure they're adequately trained and fit well with the organization's mission and culture. In the patient's eyes, the system is real and seamless, so long as the healthcare organization has devoted sufficient time and effort to creating standards and communication vehicles that make it that way. Hammerly refers to this model as an "integrative medicine clinic without walls."

## What It Takes

The following factors are vital to success with all six CAM delivery models:

A physician champion. Regardless of whether a CAM program is hospital or physician sponsored, having the support and commitment of a highly regarded, knowledgeable physician is key. At least initially, a physician champion helps build credibility for the program within the hospital community and the community at large. Once the program is in place—and physician or self-referrals are well-established—the imprimatur of a physician champion is less vital and marketing of the program can focus on CAM services, CAM providers, and other attributes.

Board and senior management support. Like any other new service line, a CAM program will take time to get up and running. And getting it into the black will take even longer given the limited nature of third-party reimbursement for CAM services. If the program is hospital-certified, the hospital board and senior management must be committed for the long haul, understanding that CAM is not a quick money-maker but instead is a way to gain a competitive edge, satisfy consumer needs, and position the hospital as a progressive, forward-thinking institution.

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Aggressive fundraising. Unless an organization has an existing pool of capital at its disposal, ongoing aggressive fundraising is necessary. Hospitals may look to board members who are CAM advocates as potential sources of funds. In addition, grant money is available for CAM programs that target specific audiences or diseases. In fact, several of the CAM programs we surveyed attributed their sustainability to the fundraising expertise of a director or senior manager.

An educated medical staff and community. Although many CAM modalities have been around for generations and even centuries, they are new to the modern Western medical culture. Most physicians know little about the therapeutic benefits of massage, yoga, and acupuncture. They know even less about traditional Chinese medicine or homeopathy. In addition, many Western-trained physicians feel a natural competitiveness toward CAM services and CAM providers. Physicians who understand CAM aren't as alarmed by it or skeptical of it. They see the potential it holds for improving their patients' quality of life and acknowledge it as a beneficial addition to a therapeutic regimen. Education of the community is key, too. Consumers won't access the services unless they know how they can benefit from them.

A client base that can pay out of pocket. Most CAM services are not reimbursed by third-party payors. Patients

## Know Your Market

Based simply on the increasing consumer demand for CAM services, some hospitals and other healthcare organizations have rushed blindly forward to implement full-scale CAM programs without understanding their own market and the complexities of building and running such a program. Within a year or two, many programs have foundered. Probably the biggest reason why many CAM programs fail is because management hasn't done the preliminary marketing assessment to determine if the service area can sustain a CAM program. This initial work includes several important items:

- A survey of the full staff and medical staff to determine their interest in, receptivity to, and knowledge of CAM
- An analysis of the economic demographics of the service area to determine if the pool of clients who can pay for services out-of-pocket is large enough
- Interviews with third-party payors to understand their reimbursement of CAM services
- Focus groups with patients to understand their perceptions and use of CAM services and their willingness to access the services from the hospital or healthcare organization
- A financial feasibility study to assess the organization's ability to implement and sustain the program
- An analysis of the competition in the service area, including other hospitals, health clubs, individual practitioners, and freestanding centers
- An assessment of qualified CAM providers willing to come on board as part of the program

typically pay for therapeutic massage, acupuncture, yoga, aromatherapy, and meditation training out of pocket. Statistics show that many are willing to do this. However, to ensure the long-term financial viability of a CAM program, management must have a clear picture of the economic demographics of the service area.

**Word-of-mouth marketing.** Consumers typically rely on recommendations from family, friends, and colleagues when selecting a CAM provider. Unlike the process of selecting a physician or dentist, consumers often can't check databases, educational institutions, or medical boards to determine the skill level and expertise of a CAM provider. Currently, for many kinds of CAM providers, their proxy is the recommendation of someone they know. PR efforts—such as a CAM health fair or free trial services—that increase the community's awareness of CAM providers are a good jumpstart for word-of-mouth marketing. Consumers also rely on the Internet as a resource for information on CAM, including providers, so hospital Web sites are an ideal place to market CAM services.

**Quality, credentialed CAM providers.** Whether bringing CAM providers on board in a salaried position or contracting with them, hospitals and other organizations must seek out properly trained, reputable CAM providers. In addition, they must implement a solid credentialing program as part of the process. There are a number of organizations that can help by either doing the credentialing of CAM providers or helping institutions develop and implement their own CAM credentialing program.

**A medical director with CAM background and/or training.** The holistic emphasis of a CAM program differs from conventional medicine, so programs should be directed by a physician who's familiar and comfortable with CAM. Many medical directors at CAM programs are board-certified in a Western medicine specialty, such as internal medicine, and are also certified in a particular CAM modality, such as acupuncture.

**A crackerjack manager.** Especially in the hospital setting, where CAM is just another service line, the program must be managed by an individual who understands the unique reimbursement, marketing, credentialing, and other issues related to CAM. In addition, management of the CAM program should be an emphasis of this individual's responsibilities and not an afterthought. A good manager will understand the importance of continual fundraising, have the knowledge to guide and build a CAM credentialing program, know where and how to look for qualified CAM providers, and have some knowledge about how to market the program.

**If hospitals don't offer C**

### Know Your Limits

We've also identified potential pitfalls that are unique to each delivery model. In determining which delivery model is best suited to the organization, management must weigh a number of factors—from the corporate culture of the institution and the characteristics of the service area to available funding and the degree of senior-level commitment to CAM.

The hospital-sponsored freestanding comprehensive CAM program model requires substantial capital investment, so fundraising must be a top priority. Hospitals and other organizations must have a decent piece of real estate in which to locate the program. It must be situated in an area that patients feel comfortable coming to with access to sufficient, reasonably priced parking.

This model requires a significant base of self-pay clients to cover overhead and operating expenses. Often, significant time and fundraising efforts are needed just to break even. It also appears to have a high closure rate. Many large-scale CAM programs started by hospitals are discontinued a year or two later because they lose too much money.

With hospital-sponsored integrative medicine programs, the potential client base is limited by the referral base. Typically, patients access care in this model only by referral from a physician or after a thorough medical exam by a program physician. This model may not attract self-pay, healthier clients who may not want to be bothered with a physician referral to access CAM services. In addition, because there are "medical overtones" to the program, patients may choose not to use the services once they are well and instead find a local independent provider (e.g., massage therapist).

CAM therapies integrated within hospital service lines/departments suffer from some potential drawbacks as well. When CAM services are integrated within a hospital's services lines or departments—such as cancer or cardiology—they're hard to see and therefore more difficult to promote to an external target market. They're also harder to track across the hospital because CAM services are decentralized rather than centralized under a single management team.

Seamlessly integrating CAM services within a hospital service line or department requires significant education of clinicians and staff within the designated service line/department. To provide a cancer or cardiology or obstetrics/gynecology service that uses the best of conventional and complementary medicine, clinicians and staff must be knowledgeable about and comfortable with CAM and its potential to augment conventional therapies.

Physician-sponsored freestanding CAM programs typically need a physician champion at the helm who is well-respected in both CAM and conventional medicine. In addition, to build a client base from both self-referral prospects and physician referrals, it helps if the medical director is well-regarded by patients and colleagues alike.

The physician group that sponsors the program and its affiliated hospital (if there is one) should discuss/negotiate the parameters of the relationship between the two organizations. Will other hospital-affiliated physicians routinely refer to the program? Will the program services compete with any hospital services? Can CAM providers also have privileges at the hospital for inpatient services?

Even if the physician-sponsored freestanding CAM program is located on the hospital grounds or nearby, it may not necessarily help market the hospital itself. Most likely, the CAM program will be marketed as a separate entity. And unless there's a strong connection between the hospital and the physician in consumers' eyes, the cross-selling of hospital services may be only serendipitous.

Health-fitness programs with limited CAM offerings are unique because they are only tangentially about CAM and centrally about exercise and fitness. This delivery model competes in the world of health clubs—against other top-notch facilities with the newest and best equipment and exercise offerings. Therefore, management must understand the health-fitness marketplace and expect to invest significant overhead and lead time to market enrollment. In addition, a quality health-fitness program requires a good, easily accessible piece of real estate with ample parking.

Some cautions should be used with virtual integrative medicine programs as well. With this model, hospital physicians and community CAM providers face the significant challenge of developing a standardized communication system and common language. Plus sponsoring hospitals and healthcare organizations must credential CAM providers for training and for fit with the corporate culture. Unless the system is truly seamless, patients may not view the services as part of the hospital's product offerings.



**CAM services, patients will find them somewhere else.**

For any of these models, an expert advisory committee can help guide the process. This may include individuals with a nationally recognized expertise in CAM, senior executives, and a physician or two who can ultimately champion CAM among their colleagues.

So what does the future look like for CAM? If steadily increasing consumer demand is used as a barometer, it's bright. Our nation's diverse population and the renewed emphasis on health, wellness, and prevention fit well with CAM's philosophy. Society is embracing diversity in all arenas—and healthcare is not immune. Over the next decade, it is likely that CAM services will be integrated with conventional medicine and healthcare providers will provide patients with therapeutic regimens that include both. Physicians and patients will use the best of Western and Eastern medicine without distinguishing between the two. In the meantime, if hospitals don't offer CAM services, patients will find them somewhere else. And, if physicians and CAM providers don't find a way to work together, the potential disconnect in care could ultimately affect the quality of care and patients' health. MHS

About the Authors

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