

# Apple Health Nonpharmacologic Pain Treatment Coverage

Substitute Senate Bill 5380; Chapter 314; Laws of 2019; Section 35 January 10, 2020

# Apple Health Nonpharmacologic Pain Treatment Coverage



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## **Executive Summary**

Pain is complex to treat. Individuals with debilitating or persistent pain may present to their medical provider for treatment options. In some cases, acute and chronic pain is managed with prescription medications, including opioids. Opioid use can lead to addiction (Opioid Use Disorder) and is not the appropriate treatment for most people with chronic pain

To help improve outcomes for patients struggling with pain, including preventing adverse effects of opioids, the agency recommends offering more non-pharmacologic (non-medication) interventions as part of a comprehensive treatment plan.

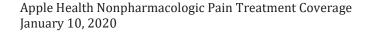
Currently Washington State Apple Health (Medicaid) covers some non-pharmacologic treatments for pain, such as: physical therapy, chiropractic (for individuals age 20 and younger), and psychotherapy. In 2019, the Washington State Legislature passed Substitute Senate Bill (SSB) 5380, which contained requirements for the Health Care Authority (HCA) to recommend additional Apple Health coverage for evidence-based, non-pharmacologic pain treatments and funding to the Legislature.

HCA evaluated non-pharmacologic pain treatments, based on treatment effectiveness and cost considerations (including cost-effectiveness and cost to provide treatment). Credible publications, pain treatment specialists, and other stakeholders seem to agree that the best non-pharmacologic pain treatments are multidisciplinary (using multiple treatment types through the bio-psychosocial model). They include a focus on patient self-efficacy and improving patients' ability to function by:

- 1. Addressing psychological components of pain.
- 2. Providing active interventions, which teach patients skills to manage their own conditions.
- 3. Pairing psychologic interventions with exercise.

Using these principles, HCA found that:

- **Acupuncture** has evidence of treatment effectiveness, is sufficiently cost-effective, and is the least costly treatment to provide, based on expected utilization.
- **Chiropractic for adult populations** has evidence of treatment effectiveness, appears to be cost-effective (though the literature is incomplete), and may reduce opioid use.
- Massage therapy has evidence of treatment effectiveness. However, massage therapy lacks high-quality evidence about cost-effectiveness and has the highest cost to provide treatment.
- **Yoga** appears to be both an effective intervention and a cost-effective treatment. However, HCA cannot recommend yoga for Apple Health coverage, due to implementation barriers that include licensing and billing challenges.



HCA recommends that the Legislature authorize HCA to update the State Plan Amendment (SPA) and relevant Washington Administrative Codes (WACs) to include the following benefits for adults with Apple Health coverage, beginning July 1, 2020:

- **Acupuncture** 10 visits per year or total unit cap equivalent from state licensed acupuncturists; and
- **Chiropractic for adult populations** 10 visits per year or total unit cap equivalent from state licensed chiropractors.

HCA plans to request funding in the 2021-23 biennial budget cycle to implement these benefits. Current estimates, which could change when updated for the 2021-23 budget, are \$53,000 and 1.0 staff (an Occupational Nurse Consultant) to create and manage the program and an estimated \$18.4 million in services costs.

By adding acupuncture and chiropractic benefits to Apple Health, the Legislature will make progress toward providing more nonpharmacologic treatment options to manage pain.

## Background

There is no one-size-fits-all approach when treating and managing patients with painful conditions.<sup>1</sup>

To help improve outcomes for patients struggling with pain, including preventing adverse effects of opioids, the agency recommends offering more non-pharmacologic (non-medication) interventions as part of a comprehensive treatment plan. The Centers for Disease Control and Prevention (CDC) has reported that as many as one in four patients receiving long-term opioid therapy in a primary care setting struggles with opioid addiction.<sup>2</sup>

Depending upon its actual or expected duration, pain may be either acute, subacute, or chronic. Although definitions vary, generally:

- **Acute pain** is pain that has been present for less than 6 weeks;
- **Subacute pain** is a subset of acute pain, which has been present for at least 6 weeks, but less than 3 months; and
- **Chronic pain** is pain that has been present for more than 3 months, or that continues past the normal time for tissue healing.

<sup>&</sup>lt;sup>1</sup> Pain Management Task Force Issues Final Report on Best Practices for Treatment of Pain, from <a href="https://www.hhs.gov/about/news/2019/05/30/pain-management-task-force-issues-final-report-on-best-practices-for-treatment-of-pain.html">https://www.hhs.gov/about/news/2019/05/30/pain-management-task-force-issues-final-report-on-best-practices-for-treatment-of-pain.html</a>, accessed on October 31, 2019.

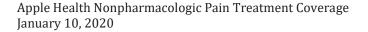
<sup>&</sup>lt;sup>2</sup> Prescription Opioids, Addiction and Overdose, from https://www.cdc.gov/drugoverdose/opioids/prescribed.html, accessed on November 1, 2019.

Chronic pain may have physical and psychological components. Whether for acute, subacute, or chronic pain, non-medication strategies provide more treatment options. There are numerous nonpharmacologic (non-medication) pain treatments with some degree of effectiveness. According to the studies HCA reviewed, most pain treatments have small effect sizes.<sup>3</sup>

Currently Washington Apple Health (Medicaid) covers some nonpharmacologic treatments for pain, such as:

- **Physical therapy**<sup>4</sup> the treatment of disease, injury, or deformity by physical methods such as exercise, massage, and heat treatment
- **Chiropractic**<sup>5</sup> a holistic approach to musculoskeletal<sup>6</sup> care that includes manual therapy, such as manipulation, exercise, ergonomic<sup>7</sup> and postural<sup>8</sup> education, and addressing psychosocial<sup>9</sup> factors; Apple Health currently only covers chiropractic for individuals age 20 and younger; and **Psychotherapy**<sup>10</sup> treatment by psychological rather than medical means. Specific mental health treatments, such cognitive behavioral therapy<sup>11</sup> and mindfulness-based stress reduction, <sup>12,13</sup> can help patients manage the mind-body connection part of some pain conditions.

<sup>&</sup>lt;sup>13</sup> Apple Health billing for mindfulness-based stress reduction is the same as for cognitive behavioral therapy.



<sup>&</sup>lt;sup>3</sup> Noninvasive Nonpharmacological Treatment for Chronic Pain: A Systematic Review, page ES-16 (PDF page 33/1398), from <a href="https://effectivehealthcare.ahrq.gov/sites/default/files/pdf/nonpharma-chronic-pain-cer-209.pdf">https://effectivehealthcare.ahrq.gov/sites/default/files/pdf/nonpharma-chronic-pain-cer-209.pdf</a>, accessed on September 3, 2019.

<sup>&</sup>lt;sup>4</sup> Washington Apple Health (Medicaid) Mental Health Services Billing Guide, July 1, 2019, page 20, from <a href="https://www.hca.wa.gov/assets/billers-and-providers/op-rehabilitation-bi-20190701.pdf">https://www.hca.wa.gov/assets/billers-and-providers/op-rehabilitation-bi-20190701.pdf</a>, accessed on November 1, 2019.

<sup>&</sup>lt;sup>5</sup> Washington Apple Health (Medicaid) Chiropractic Services Billing Guide (For Clients Age 20 and Younger), July 1, 2019, from <a href="https://www.hca.wa.gov/assets/billers-and-providers/Chiropractic-serv-bi-20190701.pdf">https://www.hca.wa.gov/assets/billers-and-providers/Chiropractic-serv-bi-20190701.pdf</a>, accessed on November 1, 2019.

<sup>&</sup>lt;sup>6</sup> Musculoskeletal is relating to or denoting the musculature and skeleton together.

<sup>&</sup>lt;sup>7</sup> Ergonomic is relating to or designed for efficiency and comfort in the working environment

<sup>&</sup>lt;sup>8</sup> Postural is the adjective form of posture, the position in which someone holds their body when standing or sitting.

<sup>&</sup>lt;sup>9</sup> Psychosocial is relating to the interrelation of social factors and individual thought and behavior.

<sup>&</sup>lt;sup>10</sup> Washington Apple Health (Medicaid) Mental Health Services Billing Guide, July 1, 2019, from <a href="https://www.hca.wa.gov/assets/billers-and-providers/mental-health-svc-bi-20191001.pdf">https://www.hca.wa.gov/assets/billers-and-providers/mental-health-svc-bi-20191001.pdf</a>, accessed on November 1, 2019.

<sup>&</sup>lt;sup>11</sup> Cognitive behavioral therapy is a type of psychotherapy in which negative patterns of thought about the self and the world are challenged in order to alter unwanted behavior patterns or treat mood disorders such as depression.

<sup>&</sup>lt;sup>12</sup> Mindfulness-based stress reduction is an eight-week evidence-based program that offers secular, intensive mindfulness training to assist people with stress, anxiety, depression and pain. It is a practical approach which trains attention, allowing people to cultivate awareness and enable them to have more choice and take constructive action in their lives.

Available evidence<sup>14</sup> indicates that the additional nonpharmacologic pain treatment strategies may be similarly effective, compared to current Apple Health nonpharmacologic treatments.

In 2019, the Washington State Legislature passed Substitute Senate Bill 5380, which contained reporting requirements for the Health Care Authority (HCA). Section 35 of that legislation states:

- (1) In order to support prevention of potential opioid use disorders, the authority must develop and recommend for coverage nonpharmacologic treatments for acute, subacute, and chronic noncancer pain and must report to the governor and the appropriate committees of the legislature, including any requests for funding necessary to implement the recommendations under this section. The recommendations must contain the following elements:
  - (a) A list of which nonpharmacologic treatments will be covered;
  - (b) Recommendations as to the duration, amount, and type of treatment eligible for coverage;
  - (c) Guidance on the type of providers eligible to provide these treatments; and
  - (d) Recommendations regarding the need to add any provider types to the list of currently eligible medicaid provider types.
- (2) The authority must ensure only treatments that are evidence-based for the treatment of the specific acute, subacute, and chronic pain conditions will be eligible for coverage recommendations.<sup>15</sup>

To satisfy the legislative requirement, this report includes:

- A summary of HCA's evaluation of nonpharmacologic pain treatments; and
- Recommendations for additional Apple Health coverage for nonpharmacologic pain treatments.

# Evaluation of Nonpharmacologic Pain Treatments

Washington Administrative Code (WAC) 182-501-0165 requires HCA to complete a process before determining whether a treatment is medically necessary for an Apple Health client. <sup>16</sup> In addition to

<sup>&</sup>lt;sup>14</sup> For example: Noninvasive Nonpharmacological Treatment for Chronic Pain: A Systematic Review, from <a href="https://effectivehealthcare.ahrq.gov/sites/default/files/pdf/nonpharma-chronic-pain-cer-209.pdf">https://effectivehealthcare.ahrq.gov/sites/default/files/pdf/nonpharma-chronic-pain-cer-209.pdf</a>, accessed on October 22, 2019.

<sup>&</sup>lt;sup>15</sup> Substitute Senate Bill 5380, Chapter 314, Laws of 2019, Section 35, from <a href="http://lawfilesext.leg.wa.gov/biennium/2019-20/Pdf/Bills/Session%20Laws/Senate/5380-S.SL.pdf">http://lawfilesext.leg.wa.gov/biennium/2019-20/Pdf/Bills/Session%20Laws/Senate/5380-S.SL.pdf</a>, accessed on November 1, 2019.

<sup>&</sup>lt;sup>16</sup> WAC 182-501-0165 Medical and dental coverage—Fee-for-service (FFS) prior authorization— Determination process for payment., from <a href="https://app.leg.wa.gov/WAC/default.aspx?cite=182-501-0165">https://app.leg.wa.gov/WAC/default.aspx?cite=182-501-0165</a>, accessed on November 1, 2019.

evaluating relevant information about the Apple Health client, the determination process for a specific treatment includes:

- Determining its efficacy, effectiveness, and safety;
- Determining its impact on health outcomes;
- Determining its valid reasons for use;
- Comparing it to alternative treatment options; and
- Identifying sources of credible evidence about the treatment that use and report evidencebased information.<sup>17</sup>

After performing that process, HCA determines that the treatment is medically necessary only if the treatment:

- Does not place the client at a greater risk of harm than an equally effective alternative treatment; and
- Is not more costly than an equally effective alternative treatment. 18

However, if a treatment does not satisfy those criteria, HCA does not deem the treatment medically necessary and will not pay for the treatment.

HCA used a similar determination process to evaluate non-pharmacologic pain treatments for possible Apple Health coverage recommendations, focusing first on treatment effectiveness and then on cost considerations.

#### **Treatment Effectiveness**

HCA performed a literature review to evaluate the effectiveness of different non-pharmacologic pain treatments. A key publication that HCA identified was the 2018 Agency for Healthcare Research and Quality (AHRQ, pronounced like "ark") comparative effectiveness review about noninvasive, <sup>19</sup> non-pharmacologic pain treatments. <sup>20</sup> The AHRQ systematically evaluated nearly 1,200 scientific publications, of which more than 200 publications satisfied their review criteria (including low risk of bias). <sup>21</sup>

The AHRQ review, other credible publications, pain treatment specialists and other stakeholders<sup>22</sup> seem to agree that the best non-pharmacologic pain treatments are multidisciplinary (using

<sup>18</sup> Ibid.

<sup>17</sup> Ibid.

<sup>&</sup>lt;sup>19</sup> Noninvasive means not requiring the introduction of instruments into the body.

<sup>&</sup>lt;sup>20</sup> Noninvasive Nonpharmacological Treatment for Chronic Pain: A Systematic Review, from <a href="https://effectivehealthcare.ahrq.gov/sites/default/files/pdf/nonpharma-chronic-pain-cer-209.pdf">https://effectivehealthcare.ahrq.gov/sites/default/files/pdf/nonpharma-chronic-pain-cer-209.pdf</a>, accessed on November 1, 2019.

<sup>&</sup>lt;sup>21</sup> Ibid., pages B1-C70 (PDF pages 368-452).

<sup>&</sup>lt;sup>22</sup> As part of its process, HCA engaged nonpharmacologic pain treatment stakeholders during calendar year 2018 about different treatment options.

multiple treatment types through the bio-psycho-social model). They include focus on patient self-efficacy and improving patients' ability to function by:

- 4. Addressing psychological components of pain conditions
- 5. Providing active interventions, which teach patients skills to manage their own conditions.
- 6. Pairing psychologic interventions with exercise.

HCA's current Apple Health psychotherapy, physical therapy, and chiropractic (for clients age 20 and younger) benefits are examples non-pharmacologic pain treatments that align with these principles. Available evidence, including the AHRQ review, indicates that the additional non-pharmacologic pain treatment strategies may be similarly effective, compared to current Apple Health non-pharmacologic pain treatments. In addition to chiropractic for adult populations (age 21 years and older), these non-pharmacologic treatments include:

- **Acupuncture** a holistic system of medicine that includes the use of acupuncture needles, non-insertion tools, and lancets to alleviate pain.
- Massage therapy a group of several practices involving manual manipulation of soft
  tissue to improve circulation, relax muscles, and improve range of motion. Although
  physical therapy can include massage in its practice, massage therapy is a distinct practice
  that tends to be a more passive intervention that patients receive in addition to another
  treatment.
- **Yoga** a group of physical, mental, and spiritual practices or disciplines. In the United States, it is primarily a system of posture-based exercise, stress-relief, and relaxation techniques. It is considered a mind-body therapy.

#### Regarding chiropractic:

- Chiropractic care specializes in back pain. Back pain is the most common physical condition for which patients visit their doctor, and surveys reveal that over one quarter of adults (26 percent) report low back pain in the past three months.<sup>23</sup>
- HCA identified a United States (US)-based systematic review from the American Academy of Pain Medicine that examined the association between chiropractic use and opioid receipt among patients with spinal pain. Like the AHRQ review, this review analyzed studies and included those with low risk of bias. The review found chiropractic users were about 64 percent less likely to receive opioid medications than receipt than non-users. <sup>24</sup>
- A single longitudinal study of health care utilization patterns for low back pain in the adult US population found that patients with similar risk profiles received medications at

<sup>&</sup>lt;sup>23</sup> Conservative Spine Care: Opportunities to Improve the Quality and Value of Care, from <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3870576/pdf/pop.2012.0096.pdf">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3870576/pdf/pop.2012.0096.pdf</a>, accessed on October 30, 2019

<sup>&</sup>lt;sup>24</sup> Association Between Chiropractic Use and Opioid Receipt Among Patients with Spinal Pain: A Systematic Review and Meta-analysis, from <a href="https://academic.oup.com/painmedicine/advance-article/doi/10.1093/pm/pnz219/5575223">https://academic.oup.com/painmedicine/advance-article/doi/10.1093/pm/pnz219/5575223</a>, accessed on October 30, 2019.

different rates, based on the first provider the patients saw. For example, only about 14 percent of patients who saw a chiropractor first received medications, compared to 37 percent who first saw a primary care provider, and 31 percent who first saw an orthopedist/sports physician.<sup>25</sup> HCA acknowledges the need for caution when interpreting the results of this single study outside the context of the entire evidence base.

#### **Cost Considerations**

Based on the evidence of effectiveness, HCA included the following non-pharmacologic pain treatments in its evaluation of cost:

- Acupuncture;
- Chiropractic (especially for adult populations age 21 years and older); and
- Massage therapy as a stand-alone benefit (not as part of the physical therapy coverage).

Although yoga (especially in a group setting) is much more cost-effective than other treatment options, HCA did not evaluate the cost of yoga, due to considerable barriers to including it as an Apple Health benefit. For example:

- Yoga practitioners are not licensed health care providers in Washington State;<sup>26</sup> and
- Establishing health care billing processes for yoga practitioners would be complicated and difficult, because codes specific to yoga are not currently available.

Oregon State is currently piloting a yoga benefit as part of its Medicaid program. It is possible that HCA will learn more about the effectiveness of this pilot in the future.

#### Cost-Effectiveness

HCA reviewed available, quality information about the cost-effectiveness of acupuncture, chiropractic, and massage therapy as non-pharmacologic pain treatments. Chiropractic and massage therapy are both examples of manual therapies. Most studies measured the treatments' cost-effectiveness by using the quality-adjusted life year (QALY, pronounced "KWAH-lee") — a unit of measurement for valuing health outcomes that is a function of both quality of life and length of life. One year of perfect health has a QALY value of 1.0; death has a QALY value of 0.0.

<sup>&</sup>lt;sup>25</sup> Conservative Spine Care: Opportunities to Improve the Quality and Value of Care, from <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3870576/pdf/pop.2012.0096.pdf">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3870576/pdf/pop.2012.0096.pdf</a>, accessed on October 30, 2019.

<sup>&</sup>lt;sup>26</sup> Department of Health, Professions A to Z, from <a href="https://www.doh.wa.gov/LicensesPermitsandCertificates/ProfessionsNewReneworUpdate">https://www.doh.wa.gov/LicensesPermitsandCertificates/ProfessionsNewReneworUpdate</a>, accessed on November 2, 2019.

**Acupuncture** – The Institute for Clinical and Economic Review (ICER) provided a cost-effectiveness report<sup>27</sup> on different non-pharmacologic pain treatments (including acupuncture) for chronic low back pain and chronic neck pain. ICER reported that all interventions under consideration had reasonable costs, compared to usual care over a five-year time period. The report defined usual care as self-care guidance and educational information on stretching, strengthening, exercise, and lifestyle modifications. ICER found that the additional cost to gain 1.0 QALY more than a patient would gain through usual care was \$53,933, which is considerably less than the cost-effectiveness threshold of \$100,000.<sup>28</sup>

**Manual Therapies** – HCA did not find a high-quality, systematic review of chiropractic or massage therapy cost-effectiveness that provided a comprehensive review of the entire body of US-based evidence. HCA was able to find a high-quality, systematic review<sup>29</sup> of manual therapy cost-effectiveness with QALY metrics in non-US countries, with health care delivery systems and cost structures that greatly differ from the US. Although the review results are not applicable in the US, the largest study with low risk of bias might provide some perspective.

The United Kingdom back pain exercise and manipulation (UK BEAM) randomized trial compared the cost-effectiveness of "best care" (providing active management and patient educational literature) to chiropractic manipulation and exercise.<sup>30</sup> The UK BEAM researchers found that, compared to best care, the additional costs to gain 1.0 additional QALY were:

- £6175 (about \$10,093) for adding manipulation alone;
- £10 692 (about \$17,476) for adding exercise alone; and
- £4918 (about \$8,038) for adding both manipulation and exercise. 31,32

The researchers explained that combining manipulation with exercise produced better results, because of lower costs and gaining more QALYs compared to either manipulation or exercise alone.

#### Cost to Provide Treatment

HCA estimated the separate costs to add acupuncture, chiropractic, and stand-alone massage therapy benefits for Apple Health adult populations (age 21 years and older). For financial

<sup>&</sup>lt;sup>27</sup> Cognitive and Mind-Body Therapies for Chronic Low Back and Neck Pain: Effectiveness and Value Final Evidence Report, November 6, 2017, from <a href="https://icer-review.org/wp-content/uploads/2017/03/CTAF">https://icer-review.org/wp-content/uploads/2017/03/CTAF</a> LBNP Final Evidence Report 110617.pdf, accessed on November 2, 2019.

<sup>&</sup>lt;sup>28</sup> Ibid., pages ES10-ES11 (PDF pages 16-17/171).

<sup>&</sup>lt;sup>29</sup> Cost-effectiveness of Manual Therapy, from <a href="https://core.ac.uk/download/pdf/29190062.pdf">https://core.ac.uk/download/pdf/29190062.pdf</a>, accessed on October 30, 2019. (Note: the Royal College of Chiropractors funded the project.)

<sup>&</sup>lt;sup>30</sup> United Kingdom back pain exercise and manipulation (UK BEAM) randomised trial: cost effectiveness of physical treatments for back pain in primary care, from https://www.ncbi.plm.nih.gov/nmc/articles/PMC535455/ndf/hmi32901381.ndf\_accessed on October 30.

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC535455/pdf/bmj32901381.pdf, accessed on October 30, 2019.

<sup>&</sup>lt;sup>31</sup> Ibid., page 351.

<sup>&</sup>lt;sup>32</sup> HCA used the exchange rate of \$1.6345 to £1 on January 16, 2014, when the researchers submitted their paper. See: British Pound to US Dollar Spot Exchange Rates for 2014 from the Bank of England, from <a href="https://www.poundsterlinglive.com/bank-of-england-spot/historical-spot-exchange-rates/gbp/GBP-to-USD-2014">https://www.poundsterlinglive.com/bank-of-england-spot/historical-spot-exchange-rates/gbp/GBP-to-USD-2014</a>, accessed on November 2, 2019.

modeling purposes, we assumed that each new benefit would go into effect on July 1, 2020. To calculate non-pharmacologic pain treatment costs, we defined the population, utilization, and reimbursement rates:

- Population Our model used paid claims and accepted encounter data from HCA's
   Medicaid management information system (ProviderOne) with service dates during
   calendar year 2018, which we pulled in late August 2019. We excluded Apple Health clients
   with cancer or who were in hospice care. To project the numbers of eligible clients, we used
   data from the February 2019 HCA Per Capita Expenditure Forecast (Forecast) and assumed
   the same population in both fiscal years 2021 and 2022.
- **Utilization** Our model considered utilization rates of four different Apple Health groups, based on their medical benefit experience during calendar year 2018:
  - 1. Clients who used opioid medications but not physical therapy;
  - 2. Clients who used physical therapy, but not opioid medications;
  - 3. Clients who used both opioid medications and physical therapy; and
  - 4. Clients who used neither opioid medications nor physical therapy.

We assumed that Apple Health acupuncture, chiropractic, and stand-alone massage therapy utilization would mirror utilization in the same four groups within the Public Employee Benefits Board (PEBB) program.<sup>33</sup> We received PEBB data for calendar year 2018 in late August 2019.

• **Reimbursement Rates** – Our model used the rates in the July 1, 2019 "Chiropractic services for children" billing guide<sup>34</sup> for the chiropractic benefit. Financial Services Division's Rates staff provided reimbursement rates for acupuncture and stand-alone massage therapy. We estimated the federal match percentages (FMAPs) by Medicaid Eligibility Groups, based on the February 2019 Forecast. We assumed the same reimbursement rates in both fiscal years 2021 and 2022.

HCA estimated the fiscal impact of both the chiropractic and acupuncture benefits by multiplying the forecasted fiscal year 2021 population by utilization. To estimate the fiscal impact of the standalone massage therapy benefit, we performed the same calculation as we did for the chiropractic and acupuncture benefits, and then subtracted the costs of the massage therapy benefit utilization that is part of the physical therapy benefit.

Our results in Table 1 below indicate that, for both fiscal years 2021 and 2022, the fiscal impacts of each new benefit are approximately:

• \$1.1 million for acupuncture;

<sup>&</sup>lt;sup>33</sup> We estimated Apple Health adult chiropractic evaluation and monitoring (E&M) utilization by multiplying PEBB adult spinal manipulation units per eligible client by the rate of Apple Health children's chiropractic E&M utilization per children's spinal manipulation.

<sup>&</sup>lt;sup>34</sup> Washington Apple Health (Medicaid) Chiropractic Services Billing Guide (For Clients Age 20 and Younger), July 1, 2019, from <a href="https://www.hca.wa.gov/assets/billers-and-providers/Chiropractic-serv-bi-20190701.pdf">https://www.hca.wa.gov/assets/billers-and-providers/Chiropractic-serv-bi-20190701.pdf</a>, accessed on November 1, 2019.

- \$17.1 million for chiropractic; and
- \$26.9 million for stand-alone massage therapy.

Table 1 – Estimated Nonpharmacologic Treatment Costs for State Fiscal Years (SFYs) 2021 and 2022

	Acupuncture		Chiropractic		Massage Therapy	
	SFY 2021	SFY 2022	SFY 2021	SFY 2022	SFY 2021	SFY 2022
State	\$306,123	\$306,123	\$4,643,869	\$4,643,869	\$7,267,606	\$7,267,606
Federal	\$811,255	\$811,255	\$12,472,785	\$12,472,785	\$19,672,601	\$19,672,601
Total	\$1,117,377	\$1,117,377	\$17,116,654	\$17,116,654	\$26,940,206	\$26,940,206

**Source:** HCA Financial Services Division, August 2019.

#### Results

HCA's evaluation of additional non-pharmacologic pain treatments for possible Apple Health coverage recommendation found that:

- **Acupuncture** has evidence of treatment effectiveness, is sufficiently cost-effective, and is the least costly treatment to provide, based on expected utilization.
- **Chiropractic for adult populations** has evidence of treatment effectiveness, appears to be cost-effective (though the literature is incomplete), and may reduce opioid use.
- **Massage therapy** (as a stand-alone benefit) has evidence of treatment effectiveness. However, massage therapy lacks high-quality evidence about cost-effectiveness and has the highest cost to provide treatment.
- **Yoga** appears to be both an effective intervention and a cost-effective treatment. However, HCA cannot recommend yoga for Apple Health coverage, due to implementation barriers that include licensing and billing challenges.

# Recommendations for Additional Apple Health Coverage for Non-pharmacologic Pain Treatments

Based on our evaluation of non-pharmacologic pain treatment effectiveness and cost, HCA recommends that the Legislature:

- 1. Authorize HCA to request approval from the Centers for Medicare and Medicaid Services (CMS) to add acupuncture and chiropractic benefits for adult Apple Health coverage in the state plan amendment (SPA);
- 2. Authorize HCA to update Washington Administrative Code (WAC) to include acupuncture and chiropractic benefits and practitioners as eligible for Apple Health reimbursement; and

3. Provide sufficient funding and staffing resources to HCA to implement the adult acupuncture and chiropractic benefits coverage for Apple Health clients.

#### **SPA and WAC Updates**

HCA will need to update our SPA to include the following benefits for adults with Apple Health coverage:

- **Acupuncture** 10 visits per year or unit cap equivalent from state licensed acupuncturists or physicians trained and accredited in acupuncture; and
- **Chiropractic** 10 visits per year or unit cap equivalent from state licensed chiropractors.

HCA will also need to update WAC sections to allow reimbursement for acupuncture and chiropractic as eligible Apple Health benefits and acupuncturists and chiropractors as eligible Apple Health provider types:

- Remove acupuncture and chiropractic care for adults from the lists of non-covered services in WAC 182-501-0070 and WAC 182-531-0150;<sup>35,36</sup> and
- Add acupuncturists to the list of eligible provider types in WAC 182-502-0002.

# Funding and Staffing Resources to Implement the Adult Acupuncture and Chiropractic Benefits Coverage for Apple Health Clients

In addition to reimbursing providers for acupuncture and chiropractic services that adult Apple Health clients receive, HCA will need an additional 1.0 full-time equivalent (FTE) Occupational Nurse Consultant (ONC) to manage those new benefits programs. If the new benefits begin July 1, 2021 — at the beginning of state fiscal year (SFY) 2022 — then HCA will need to hire the ONC by April 1, 2021 to fulfill an administrative function by creating and managing the benefit programs. HCA will submit a decision package for consideration during the 2021 Legislative Session. The estimates below will be updated for that submittal.

<sup>&</sup>lt;sup>35</sup> WAC 182-501-0070 Health Care Coverage—Noncovered services., from <a href="https://app.leg.wa.gov/wac/default.aspx?cite=182-501-0070">https://app.leg.wa.gov/wac/default.aspx?cite=182-501-0070</a>, accessed on October 22, 2019.

<sup>&</sup>lt;sup>36</sup> WAC 182-531-0150 Noncovered physician-related and health care professional services—General and administrative., from <a href="https://app.leg.wa.gov/wac/default.aspx?cite=182-531-0150">https://app.leg.wa.gov/wac/default.aspx?cite=182-531-0150</a>, accessed on October 22, 2019

<sup>&</sup>lt;sup>37</sup> WAC 182-502-0002 Eligible Provider Types., from <a href="https://app.leg.wa.gov/wac/default.aspx?cite=182-502-0002">https://app.leg.wa.gov/wac/default.aspx?cite=182-502-0002</a>, accessed on October 22, 2019.

Table 2 – Estimated Funding Necessary to Implement the Adult Acupuncture and Chiropractic Benefits Coverage for Apple Health Clients between State Fiscal Years (SFYs) 2020 and 2022

	SFY 2020	SFY 2021	SFY 2022			
	01 1 2020	0112021	01 1 2022			
Acupuncture Benefit						
GF-State	\$0	\$306,123	\$306,123			
GF-Federal	\$0	\$811,255	\$811,255			
Acupuncture Total	\$0	\$1,117,377	\$1,117,377			
Chiropractic Benefit						
GF-State	\$0	\$4,643,869	\$4,643,869			
GF-Federal	\$0	\$12,472,785	\$12,472,785			
Chiropractic Total	\$0	\$17,116,654	\$17,116,654			
Occupational Nurse Consultant (ONC)						
GF-State	\$20,000	\$68,000	\$68,000			
GF-Medicaid	\$33,000	\$109,000	\$109,000			
ONC Total	\$53,000	\$177,000	\$177,000			
All						
GF-State	\$20,000	\$5,017,992	\$5,017,992			
GF-Federal	\$0	\$13,284,039	\$13,284,039			
GF-Medicaid	\$33,000	\$109,000	\$109,000			
Grand Total	\$53,000	\$18,411,031	\$18,411,031			

Source: HCA Financial Services Division, August and October 2019.

**Notes:** GF means general fund. GF-State are state funds. Both GF-Federal and GF-Medicaid are federal funds. GF-Federal are federal dollars that are not included in the Medicaid expenditures.

### Conclusion

There are many non-pharmacologic treatment options available for pain management. Apple Health currently offers multidisciplinary treatment with physician care, psychology care, and physical therapy. There are other non-pharmacologic treatment options with evidence of efficacy to provide more treatment options. Following a review of the evidence and cost data, HCA found that acupuncture and chiropractic for adult Apple Health populations appear to have enough merit to recommend for Apple Health coverage.

By adding acupuncture and chiropractic benefits to Apple Health, and by equipping HCA with the necessary resources to implement the benefits, the Legislature will make progress toward providing more non-pharmacologic treatments to manage pain as additional options to opioids and other pain medications.