

Paying for CAM Treatment

If you are using (or thinking about using) complementary and alternative medicine (CAM),* you may have financial questions about paying for treatment. This fact sheet answers some frequently asked questions on this topic. To find out more about any topic or resource that is mentioned, see “For More Information.”

General Questions

How do people pay for CAM treatments?

They pay for CAM treatments in one or both of these ways:

- **Out-of-pocket.** Most people must pay for CAM services and products themselves.
- **Insurance.** Not all health insurance plans offer CAM coverage, however. When they do, the coverage varies by state and is often limited. Examples of CAM therapies that are sometimes covered by insurance are chiropractic, acupuncture, massage therapy, biofeedback, and naturopathy. Consumers’ interest in CAM coverage is prompting more insurance companies and managed care organizations to consider offering this coverage as an option.

What are some questions to ask about paying for CAM treatment?

Some questions to ask a CAM practitioner or his office staff are

- What does the first appointment cost?
- What do followup appointments cost?
- How many appointments does someone with my condition typically need?
- Are there any additional costs (such as for tests, equipment, or supplements)?

If you have a health insurance plan, some other questions are

- Do you accept this insurance?
- What has your experience been with coverage by this insurance company for my condition?
- Do I file the claim forms, or do you take care of that?

* CAM is a group of diverse medical and health care systems, practices, and products that are not presently considered to be part of conventional medicine. Complementary medicine is used **together with** conventional medicine, and alternative medicine is used **in place of** conventional medicine. Some health care providers practice both CAM and conventional medicine.

If it would be difficult for you to pay the full fee at each visit, you can ask:

- Could you arrange a payment plan over time?
- Do you offer a sliding-scale fee? (Sliding-scale fees are determined by people's income and ability to pay.)

Insurance Issues

What types of CAM coverage do employers offer?

If an employer offers CAM coverage, it usually has one or more of the following aspects:

- **Deductibles that may be higher than those for conventional care.** A deductible is a total dollar amount that you must pay before the insurer begins making any payment for treatment.
- **Policy riders.** A rider is an amendment that modifies the policy's coverage in some way (for example, by increasing or decreasing its benefits). You may be able to purchase a rider for CAM coverage.
- **A contracted network of providers.** Some insurers contract with a group of CAM providers who agree to offer their services at a lower rate to members than to nonmembers. You pay out-of-pocket, but at a discounted rate.

Employers negotiate with insurance companies for their rates and services, usually once a year. The Agency for Healthcare Research and Quality, part of the Federal Government, has publications on choosing and using a health insurance plan.

What are some important things to find out about my plan's coverage of CAM?

First, it is important to read your plan to find out whether it discusses coverage of the therapy you are interested in. If anything about the coverage is not clear or you have questions, contact the insurance company **before** you decide about having treatment. Examples of questions that people often ask company representatives are

- Is this treatment covered for my health condition?
- Does this care need to be
 - o Preauthorized or preapproved?
 - o Ordered by a prescription?
 - o Ordered through a referral from my primary care provider?
- Do I have to see a practitioner in your network in order to be covered?
- Do I have any coverage if I go out-of-network?
- Are there any limits and requirements—for example, on the number of visits or the amount you will pay?
- What do I have to pay out-of-pocket?

It is a good idea to keep detailed records about all contacts you have with the insurance company, including notes on calls and copies of bills, claims, and letters. This will help you if a

dispute arises about a claim. Also, if you are not satisfied with a representative's explanations, you can ask to speak to someone else.

Does my state have any laws about CAM coverage?

The following resources can help you answer this question:

- Each state and U.S. territory, as well as the District of Columbia, has a department of insurance (check the government pages, or blue pages, of your phone book). This department regulates the insurance industry within its region, enforces pertinent laws, and assists consumers. The services vary, but every office responds to consumer inquiries on insurance.
- If you are seeking CAM treatment from a practitioner, there is likely to be at least one professional association for the specialty—for example, associations for chiropractors. Many of these associations monitor insurance coverage and reimbursement in their field. You can search for them on the Internet or ask a reference librarian for help.

Which insurance companies cover CAM?

Your state insurance department may be able to help you with this question. Many of these departments provide consumer publications, such as profiles and ratings of companies. (They do not provide recommendations or advice on specific companies.) An insurance broker (an agent who sells policies for a variety of companies) may also be a resource.

My insurance company denied my claim for CAM treatment. Is there anything I can do?

Yes, there are some things you can do:

- Know your plan, including what it does, and does not, cover.
- Check whether the CAM practitioner's office or your insurance company has made a coding error.[†] To do this, compare the codes on the practitioner's bill with the codes on the document you received from the insurance company.
- If you think your insurer may have made a mistake processing your claim, you can request a review.
- The insurance company should also have a process for appealing coverage decisions.
- You can ask the CAM practitioner if there is anything she can do, such as writing a letter on your behalf.

If the problem is still not resolved, contact your state insurance department.

Tax-Related Matters

What are FSAs and HSAs, and can they help me with CAM expenses?

An FSA (short for flexible spending arrangement or flexible spending account) is a benefit offered by some employers. An FSA allows you to set aside pretax dollars each pay period for

[†] Health care providers and insurance companies use a standard set of numbered codes to bill for medical services.

health-related expenses (some employers also make contributions). You submit receipts for yourself, your spouse, and/or your dependents to the FSA administrator for health-related expenses that were not covered some other way (for example, by insurance). You are then reimbursed for qualifying expenses (check your plan's language on this), such as deductibles, medical appointments, tests, and medicines.

An HSA (short for health savings account) is another type of tax-exempt account. It is for people who participate in a high-deductible health plan (also called a catastrophic health plan). In an HSA, you—not your employer—establish and maintain the account (although some employers make contributions). You can also invest your HSA funds to earn tax-deductible interest.

The Internal Revenue Service (IRS) has further information on these accounts. The IRS does not allow the same expenses to be reimbursed through an FSA or HSA and also claimed as tax deductions.

Can I deduct CAM treatments on my income tax return?

In tax year 2005, the IRS allowed taxpayers to deduct medical expenses for a limited number of CAM services and products, such as acupuncture and chiropractic care. These expenses were generally allowed for taxpayers and their spouses and dependents. Note that people cannot deduct the same medical expenses from their taxes and an FSA or HSA.

Sources of Financial Assistance

Can the Federal Government help me with expenses for CAM?

The Federal Government helps with at least some of the health expenses of people who are eligible for Federal health benefit programs—usually because they meet one or more of the following conditions:

- They have a low income and limited resources.
- They do not have other medical insurance.
- They have a disability or certain medical conditions.
- They are part of a population that has difficulty obtaining medical care.
- They are at least 65 years old.
- They have served in the military.

That assistance may be direct (through payments) or indirect (through benefits like medical care at public clinics). Examples of programs that may provide some CAM coverage under some circumstances (as of November 2006) are

- The Department of Veterans Affairs (for chiropractic care and acupuncture)
- Medicare, which covers chiropractic but does not cover what it calls “alternative therapies,” giving as examples acupuncture, chelation therapy, biofeedback, and holistic medicine
- Medicaid, depending on your state's guidelines.

GovBenefits and FirstGov are two Internet resources that explain Federal health benefit programs. GovBenefits has a test you can take about qualifying for programs. State and local departments of health or social services also have financial assistance programs for eligible residents, and you can contact them directly to inquire.

Does NCCAM provide financial help for CAM treatment?

Financial help for treatment does not fit under NCCAM's mission. NCCAM does sponsor clinical trials (research studies in people) of some CAM treatments. To find out what therapies are being studied and whether you might qualify to participate, go to nccam.nih.gov/clinicaltrials/, or contact the NCCAM Clearinghouse.

Are there any other potential sources of financial assistance?

If treatment (whether CAM or conventional) for a disease or condition is creating a financial crisis for you and your family, you might find it helpful to contact nonprofit organizations that focus on the disease or condition. To locate them, try an Internet search or check directories at your local library. If you are receiving care at a hospital or clinic, ask if a social worker or patient advocate could advise you.

For More Information

NCCAM Clearinghouse

The NCCAM Clearinghouse provides information on CAM and NCCAM, including publications and searches of Federal databases of scientific and medical literature. Two of its publications are *Selecting a CAM Practitioner* and *Are You Considering Using CAM?* The Clearinghouse does not provide medical advice, treatment recommendations, or referrals to practitioners.

Toll-free in the U.S.: 1-888-644-6226

TTY (for deaf and hard-of-hearing callers): 1-866-464-3615

Web site: nccam.nih.gov

E-mail: info@nccam.nih.gov

PubMed®

A service of the National Library of Medicine (NLM), PubMed contains publication information and (in most cases) brief summaries of articles from scientific and medical journals. CAM on PubMed, developed jointly by NCCAM and NLM, is a subset of the PubMed system and focuses on the topic of CAM.

Web site: www.ncbi.nlm.nih.gov/entrez

CAM on PubMed: nccam.nih.gov/camonpubmed/

Agency for Healthcare Research and Quality (AHRQ)

AHRQ conducts research on health care outcomes, quality, costs, use, and access. Publications for consumers include *Choosing and Using a Health Plan* and *Checkup on Health Insurance Choices*.

Toll-free in the U.S.: 1-800-358-9295

TTY (for deaf and hard-of-hearing callers): 1-888-586-6340

Web site: www.ahrq.gov

- Consumer insurance publications: www.ahrq.gov/consumer/index.html#plans

Centers for Medicare & Medicaid Services (CMS)

CMS administers several programs: Medicare, Medicaid, and the State Children's Health Insurance Program (SCHIP).

Toll-free in the U.S.: 1-877-267-2323

TTY (for deaf and hard-of-hearing callers): 1-866-226-1819

Web site: www.cms.hhs.gov

- Medicare: my.medicare.gov or call 1-800-633-4227
- Medicaid: www.cms.hhs.gov/home/medicaid.asp
- SCHIP: www.cms.hhs.gov/lowcosthealthinsfamchild

Department of Labor (DOL)

DOL has publications on Federal health care laws, including HIPAA and COBRA, that apply to job seekers, workers, and retirees.

Toll-free in the U.S.: 1-866-4-USA-DOL (1-866-487-2365)

TTY (for deaf and hard-of-hearing callers): 1-877-889-5627

Web site: www.dol.gov

- Consumer health plans and benefits information: www.dol.gov/dol/topic/health-plans/index.htm

Internal Revenue Service (IRS)

The IRS is the nation's tax collection agency. Among its services are publications for consumers.

Toll-free in the U.S.: 1-800-829-1040

TTY (for deaf and hard-of-hearing callers): 1-800-829-4059

Web site: www.irs.gov

- Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*: www.irs.gov/pub/irs-pdf/p969.pdf
- Publication 502, *Medical and Dental Expenses*: www.irs.gov/pub/irs-pdf/p502.pdf

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