

Appendix A.6

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Evaluation of Lifestyle Modification and Cardiac Rehabilitation in Medicare Beneficiaries*

Costs of Cardiac Rehabilitation and Enhanced Lifestyle Modification Programs: Abstract[†]

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Abstract

Purpose: Inadequate payment to providers for traditional cardiac rehabilitation (CR) and lifestyle modification programs may contribute to low utilization, but little systematic evidence exists. This paper estimates and compares the per-patient costs and revenues for three types of secondary prevention programs: The Dr. Dean Ornish Program for Reversing Heart Disease (hereafter Ornish), the Benson-Henry Mind/Body Medical Institute's Cardiac Wellness Program (hereafter M/BMI), and CR.

Methods: The authors developed an Excel spreadsheet template of the costs of a secondary prevention program and calibrated it to seven programs that provided the necessary data. The calibration was based on budgets, cost accounting and statistical reports and structured interviews (in person or by telephone).

Results: The four lifestyle programs (two Ornish and two M/BMI) cost almost four times as much per patient as the three traditional CR programs (means of \$7,176 and \$1,828, respectively, difference $p < 0.05$). The Ornish program costs averaged over twice those of M/BMI (\$9,895 and \$4,458, respectively, difference $p < 0.10$). Medicare allowed charges (including copayments) were \$5,650 for Ornish, \$4,800 for M/BMI and about \$32.50 per session, or \$683 overall for CR.

Conclusions: Programs achieved the lowest costs per patient by carefully matching program capacity to demand. In none of the programs did net revenues cover costs. The findings suggest that four patients could attend a traditional CR program for the cost of one patient in an enhanced program.