

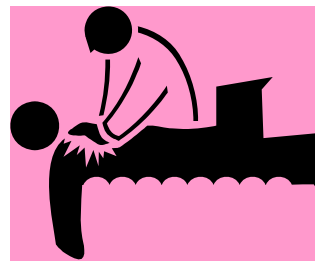
Offices of Chiropractors

SIC 8041 Offices of Chiropractors

NAICS 621310 Offices of Chiropractors is part of:

NAICS 621300 – Offices of Other Health Practitioners

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Overview

Complementary and Alternative Medicine

Offices of Chiropractors fall within the complementary and alternative medicine sector. Complementary and alternative medicine (CAM), as defined by the National Center for Complementary and Alternative Medicine (NCCAM), is a group of diverse medical and health care systems, practices and products that are not considered part of conventional medicine.

Practices such as chiropractic, yoga, massage, prayer and meditation are some of the most used CAM therapies. In addition to chiropractic manipulation, interventions and treatments falling under the category of manipulative and body-based practices include osteopathic manipulation, massage therapy, Tui Na, reflexology, rolfing, Bowen technique, Trager bodywork, Alexander technique, Feldenkrais method and many other techniques, according to a 2004 NCCAM publication.¹ Back problems, sprains and strains are the major complaints causing patients to seek assistance from the chiropractic community.

Chiropractors

Offices of Chiropractors are comprised of establishments of health practitioner establishments having the degree of Doctor of Chiropractic, (DC). Chiropractors are engaged in both group and independent practice of chiropractic medicine. Practitioners provide diagnostic and therapeutic treatment of neuro-musculoskeletal and related disorders through the manipulation and adjustment of the spinal column and extremities. Services are offered in private or group practices (e.g., centers, clinics) hospitals, fitness centers and spas.

From a holistic perspective, the chiropractor considers the patient's overall health and wellness in diagnosis and treatment. The chiropractic philosophy acknowledges many factors affecting health, including exercise, diet, stress, environment, and heredity. Educated in the body's intrinsic recuperative abilities, chiropractors emphasize natural, non-prescription, non-surgical health treatments. While they do not prescribe drugs or perform surgery, Doctors of Chiropractic often recommend changes in lifestyle — eating healthy foods, exercising regularly, and developing positive sleep habits to their patients. Integrated with mainstream medical practice, chiropractors reciprocally refer patients to medical doctors. Areas of specialization in the chiropractic profession include: Chiropractic Sciences, Neurology, Nutrition, Occupational Health, Orthopedics, Pediatrics and Radiology. Rehabilitation and Sports Chiropractic are the fastest growing specialties.

Business Trends

U.S. Census data for establishments in both the employer and non-employer categories demonstrates consistent historical net increases in both the numbers of group and independent chiropractic establishments. This trend is expected to strongly continue into 2015. See table below:

**Comparative Statistics for the United States: Years 2002 and 1997
Employer and Nonemployer Statistics**

1. Employer Statistics

		Establishments (number)	Receipts/ Revenue (\$1,000)	Annual Payroll (1,000)	Paid Employees for pay period incl. March 12 (number)
Offices of Other Health Practitioners (NAICS 6213)					
	2002	104,413	38,110,483	13,768,023	495,571
	1997	88,886	28,282,299	10,456,729	406,589
Offices of Chiropractors (NAICS 621310)	2002	34,359	9,390,288	2,769,757	112,367
	1997	30,487	6,570,083	1,886,173	91,700

2. NonEmployer Statistics

Offices of Chiropractors (NAICS 621310)	2002	22,523	1,275,613
	1997	18,607	861,023

Sources: U.S. Census, 2002 Economic Census. Health Care & Social Assistance - Industry Series, Ambulatory Health Care Services and U.S. Census, 2002 Economic Census. Nonemployer Statistics. Health Care & Social Assistance

Patient Demographics

Complementary and Alternative Medicine (CAM)

According to an NCCAM publication, CAM use was greater among a variety of population groups:

- including women
- those with education beyond high school
- those who had been hospitalized within the past year
- former smokers.²

According to the findings in this survey, the 10 most commonly used CAM therapies and the approximate percentage of U.S. adults using each therapy were:

10 Most Common CAM Therapies by Adult Use in Percentages

- | | |
|--|---|
| ▪ Prayer for own health, 43 % | ▪ Meditation, 8 % |
| ▪ Prayer by others for the respondent's health, 24 % | ▪ Chiropractic care, 8 % |
| ▪ Natural products (such as herbs, other botanicals, and enzymes), 19% | ▪ Yoga, 5 % |
| ▪ Deep breathing exercises, 12 % | ▪ Massage, 5 % |
| ▪ Participation in prayer group for own health, 10 % | ▪ Diet-based therapies (such as Atkins, Pritikin, Ornish, and Zone diets), 4 %. |

Source: Complementary and Alternative Medicine Use Among Adults: United States. NCCAM, 2002

Chiropractic Patients

Most patients (76%) see a chiropractor for back pain, including 27% for neck/cervical; 22% for low back pain; and 21% for back/spine. Extremity problems accounted for 13% of visits.³ Patients are also seen for other ailments such as injuries, nervous system disorders and non-traumatic joint disorders. However, these treatments make up a small percentage.

The average chiropractic patient is middle-aged, white and employed, with at least a high school education. Caucasians make up 60.4% of the chiropractic patient base with Hispanics (13.6%)

and African Americans (12.7%) comprising the next largest ethnic groups.⁴ Those with annual incomes over \$25,000 are more likely to use chiropractic care. As in all consumer health issues, Baby Boomers and the elderly constitute a major market. In 1998, patients over 51 years of age comprised almost 40% of all chiropractic patients. The table below provides age segmentation:

Age of Chiropractic Patients

Age Group	% of US Population 1999	% of all chiropractic patients 1998	% of US population 2015
17 & Under	25.7%	16.3%	23.7%
18 to 50	48.3%	49.7%	43.1%
51 to 64	13.3%	21.1%	18.4%
Over 65	12.7%	12.8%	14.8%

Source: *The Future of Chiropractic Revisited 2005 – 2015*. Institute for Alternative Futures, 2005. p.35.

Management

Office Startup Considerations

Expenditures for the startup of a new practice vary widely depending on building or remodeling needs, square footage, geographical location, fixtures, etc. Estimates range from \$20,000 to \$100,000. One 1996 archived article from The Chiropractic Resource Organization⁵ includes the following calculations: Build-out costs average at \$50 per square foot. A \$50,000 cost for a 1,000 square foot office space included construction of walls, doors, ceiling, carpet and paint. Adjusted for inflation, the initial \$50,000 estimate has increased to just over \$62,000.

Additional startup expenses besides the operations budget include living expenses before the office opens and enough money to sustain the practice until a positive cash flow is realized.

Expenses

Office operations expenditures for a chiropractic business are typical of other health practitioners. The 8th Annual Salary and Expense Survey by *Chiropractor Economics*⁶ captured respondent information regarding business expenses and comparing 2004 and 2005. The findings are reflected in the table below:

Expenses as % of Total Business Expenses Reported

Business expenses	2005 (%)	2004 (%)
Advertising/marketing	11.0	11.9
Business supplies	11.4	10.9
Computers/software	3.5	3.2
Staff training	2.5	—
Continuing education/professional travel	4.8	4.7
Equipment leases	8.3	7.3
Malpractice insurance	3.7	2.7
Office space	26.5	27.6
Professional services (CPAs, etc)	4.6	3.2
Business loans	19.2	17.0
Diagnostics	4.4	11.7
Totals	100.0	100.0

Source: 8th Annual Salary and Expense Survey. *Chiropractor Economics*. 2005.

Services

Chiropractors most often offer body manipulation, utilizing a wide variety of techniques. However, by providing an even greater number of convenient services, today's chiropractor places patient needs first by providing innovative in-house services. Based upon a holistic approach to each patient's individual treatment, chiropractors are clearly diversifying by offering many of the following popular therapies: physical therapy, nutritional counseling, weight management, acupuncture, and homeopathy. Additionally, patient exercise and massage are also readily available in offices of chiropractors.

Profile

Eighty-three percent of practitioners work full time. Eighty percent own their practices; 8% are contractors; 8% are partners; and 1% are employees. Twenty-three percent describe their practice as a specialty; 28% describe it as a general practice; and 47% describe it as both. Thirty-seven percent of practitioners report an annual income in excess of \$200,000 and 41% reported an annual income between \$80,000 and \$200,000.

Forty percent of practitioners have been in practice for 6 to 10 years; 34% for 11 to 15 years; and 14% for longer than 16 years.⁷

Outlook

While dialog continues on traditional vs. alternative medical philosophies, the general outlook is good for growth in the chiropractic arena. According to the Bureau of Labor Statistics (BLS), employment of chiropractors is expected to grow faster than the average for all occupations through the year 2014. Growth in this sector mirrors demand by the increasingly health-conscious consumer who seeks alternatives to prescription drugs and invasive surgical procedures.⁸ Research studies finding objective, positive results of chiropractic diagnosis and treatment have contributed to improved awareness and acceptance of this field. The growing health-associated back, neck and joint ailments of the elderly will also contribute to the demand for chiropractic expertise.

Benefit coverage of chiropractic care is an important trend and continues to increase. Currently, coverage is offered in Medicare, Medicaid, Federal Employees Health Care Benefits Programs, Federal Workers' Compensation, Departments of Defense and Veterans Affairs, approximately three quarters of employer health programs and all state workers' compensation programs.

Forecasted Supply of Chiropractors in the United States through 2015

	2000	2005	2010	2015
Number of chiropractic colleges	16	17	18	20
Graduates per year	3,800	3,400	3,700	4,000
Estimate of Licensed Chiropractors	69,000	74,000	80,000	87,000
Estimate of Practicing Chiropractors	59,000	63,000	68,000	74,000

Source The Future of Chiropractic Revisited 2005 – 2015. Institute for Alternative Futures, 2005. p. 13.

Associations

Council on Chiropractic Education - <http://www.cce-usa.org>

Federation of Chiropractic Licensing Boards - <http://www.fclb.org>

International Chiropractors Association - <http://www.chiropractic.org>

American Chiropractic Association - <http://www.amerchiro.org>

Sources

¹ Manipulative and Body-Based Practices: An Overview. NCCAM Publication No. D238. October 2004. <<http://nccam.nih.gov/health/backgrounds/manipulative.htm>>

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³ Coulter ID, Shekell PG. A Profile of Chiropractic in North America. Chiropractic in North America: a descriptive analysis. Journal of Manipulative and Physiological Therapeutics (JMPT). Feb 2005; 28(2):83-9. <<http://www.chiropracticresearchreview.com/crr/article.php?id=1364>>

⁴ Institute for Alternative Futures, The Future of Chiropractic Revisited 2005 – 2015. Alexandria, Virginia, 2005, © The Institute for Alternative Futures. <<http://www.altfutures.com/pubs/Future%20of%20Chiropractic%20Revisited%20v1.pdf>>

⁵ Whitney, John T., D.C. Scratch Startup, The Chiropractic Resource Organization, Chiropractic Tools, July 4, 1996. <<http://www.chiro.org/newDCs/ScratchStartup.html>>

⁶ 8th Annual Salary and Expense Survey. Chiropractor Economics. Vol. 5, Issue 6, April 29, 2005. <<http://www.chiroeco.com/article/2005/issue6/S&ESurvey05.pdf>>

⁷ Coulter ID, Shekell PG. A Profile of Chiropractic in North America. Chiropractic in North America: a descriptive analysis. Journal of Manipulative and Physiological Therapeutics (JMPT). Feb 2005; 28(2):83-9. <<http://www.chiropracticresearchreview.com/crr/article.php?id=1364>>

⁸ Occupational Outlook Handbook, 2006-07 Edition. <<http://www.bls.gov/oco/ocos071.htm>>

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