Proposed CAM Alternatives

Dr. Dana Foster, Chief of Staff, has requested that Week 4; Discussion Question Cost Volume Profit Analysis for Proposed CAM Alternatives For this assignment, you’re assuming the persona of a health services manager working for Benson Regional Medical Center. The Center has been seeking opportunities to incorporate more complementary and alternative medicine (CAM) into its existing service offerings; however, it wasn’t until recently being awarded a federal grant from the National Center for Complementary and Integrative Health that made this goal possible. Despite western trained providers’ skepticism of non-traditional forms of medicine/therapies, there is a growing body of evidence to support the combination of complementary and conventional medical therapeutic interventions. To consumers, complementary medicine t you complete a cost volume profit (CVP) analysis looking to determine the sales and volume breakeven points for three (3) CAM alternatives: acupuncture, biofeedback, and yoga therapy. In addition to computing the breakeven points, you are also being asked to create CVP graphs for these unconventional interventions. Many who work in the local economy hold what are classically viewed as blue collar positions and are; therefore, prone to suffering from chronic lower back pain. Financial assumptions, costing data, and prices per units of service (UOS) have been identified with assistance from various functional areas within and outside the Center. You recently completed your analysis using Microsoft Excel. Now that the CVP analysis and CVP graphs have been completed for each alternative, Dr. Foster would like for you to email her your findings, which CAM alternative you’d recommend launching first, and your supporting rationale. Hint: As you know, when a CVP graph is created using Microsoft Excel, you can manipulate the financial data used to create the graph (price, unit VC, UOS), and immediately observe how these changes impact the breakeven point within the graph. For example, perhaps you could lower your FC forecasts during the contract negotiation process; find suppliers that care produce educational materials for less; or negotiate more favorable credit terms on the purchase of supplies. CAM Alternatives The first alternative is acupuncture. This is an ancient process, rooted in Eastern medicine, where thin, solid needles are strategically inserted in the body, and then are carefully manipulated by the practitioner. The next alternative is biofeedback. In this intervention, patients harness the power of their mind and becoming aware of what's going on inside their body, so they can gain more control over their health. The last intervention to consider is yoga therapy. Yoga therapy is a type of therapy that uses yoga postures, breathing exercises, meditation, and guided imagery to improve mental and physical health. The holistic focus of yoga therapy encourages the integration of mind, body, and spirit. Modern yoga therapy covers a broad range of therapeutic modalities, incorporating elements from both physical therapy and psychotherapy. The objective of all of these interventions is to help patients find relief from chronic lower back discomfort when more conventional medical interventions seem to fall short of expectations. An in-depth review of the literature revealed that each CAM approach has been effective in managing chronic lower back pain for a number of clients. Each is considered relatively safe when performed by certified or licensed practitioners. There are certainly intangible benefits associated with each therapy. For example, many patients report being pain free after years of intolerable discomfort. Others reported being able to resume leisure and work-related activities that were not possible due to the back pain prior to receiving complementary and alternative medical interventions. You and your colleagues know that in addition to the intangible benefits there are those that can be measured in dollars and cents. These include a reduction in the frequency of doctor visits; lead to less reliance on pain medications (opioids); and lessen lost productive time at work. These tangible and intangible benefits are not quantified for the purposes of completing the CVP analysis and graphing.