



Americans Spent \$33.9 Billion Out-of-Pocket on Complementary and Alternative Medicine

Americans spent \$33.9 billion out-of-pocket on complementary and alternative medicine (CAM) over the previous 12 months, according to a 2007 government survey¹. CAM is a group of diverse medical and health care systems, practices, and products such as herbal supplements, meditation, chiropractic, and acupuncture that are not generally considered to be part of conventional medicine. CAM accounts for approximately 1.5 percent of total health care expenditures (\$2.2 trillion²) and 11.2 percent of total out-of-pocket expenditures (conventional out-of-pocket: \$286.6 billion² and CAM out-of-pocket: \$33.9 billion¹) on health care in the United States.

Approximately 38 percent of adults use some form of CAM for health and wellness or to treat a variety of diseases and conditions, according to data from the 2007 National Health Interview Survey (NHIS)³. The CAM component of the NHIS was developed by the National Institutes of Health's (NIH) National Center for Complementary and Alternative Medicine (NCCAM) and the National Center for Health Statistics (NCHS) part of the Centers for Disease Control and Prevention. The data provide estimates of the cost of CAM use, the frequency of visits made to CAM practitioners, and frequency of purchases of self-care CAM therapies.

"With so many Americans using and spending money on CAM therapies, it is extremely important to know whether the products and practices they use are safe and effective," said Josephine P. Briggs, M.D., director of NCCAM. "This underscores the importance of conducting rigorous research and providing evidence-based information on CAM so that health care providers and the public can make well-informed decisions."

Of the \$33.9 billion spent on CAM out-of-pocket, an estimated \$22.0 billion was spent on self-care costs—CAM products, classes, and materials—with the majority going to the purchase of nonvitamin, nonmineral, natural products (\$14.8 billion) such as fish oil, glucosamine and Echinacea. U.S. adults also spent approximately \$11.9 billion on an estimated 354.2 million visits to CAM practitioners such as acupuncturists, chiropractors, massage therapists, etc.

To put these figures in context, the \$14.8 billion spent on nonvitamin, nonmineral, natural products is equivalent to approximately one-third of total out-of-pocket spending on prescription drugs, and the \$11.9 billion spent on CAM practitioner visits is equivalent to approximately one-quarter of total out-of-pocket spending on physician visits.

"These data indicate that the U.S. public makes millions of visits to CAM providers each year and spends billions of dollars for these services, as well as for self-care forms of CAM," said Richard L. Nahin, Ph.D., MPH, acting director of NCCAM's Division of Extramural Research and lead author of the cost of complementary and alternative medicine analysis. "While these expenditures represent just a small fraction of total health care spending in the United States, they constitute a substantial part of out-of-pocket health care costs."

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- ¹ Nahin, RL, Barnes PM, Stussman BJ, and Bloom B. [Costs of Complementary and Alternative Medicine \(CAM\) and Frequency of Visits to CAM Practitioners: United States, 2007](#) [360KB PDF]. *National health statistics reports; no 18*. Hyattsville, MD: National Center for Health Statistics. 2009.
- ² Office of the Actuary, Centers for Medicare and Medicaid Services, National Health Expenditure Data for 2007. U.S. Department of Health and Human Services. Available at: www.cms.hhs.gov/NationalHealthExpendData/02_NationalHealthAccountsHistorical.asp#TopOfPage. Accessed June 25, 2009.
- ³ Barnes PM, Bloom B, Nahin RL. [Complementary and Alternative Medicine Use Among Adults and Children: United States, 2007](#) [360KB PDF]. *National health statistics reports; no 12*. Hyattsville, MD: National Center for Health Statistics. 2008.

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