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# Senate Financial Institutions & Insurance Committee: SB 511 – Study on Coverage for Bariatric Surgery

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# History

- Prior to Plan Year 2008, all treatment for obesity was excluded from coverage under the State Employee Health Plan (SEHP)
- Medicaid reimbursed for weight-loss medications but excluded coverage for bariatric surgery
- The Health Care Commission (HCC) considered coverage for bariatric surgery in 2006
- Consistent with KHPA initiatives in the area of prevention and wellness, HCC decided to cover preventive and non-invasive obesity treatments for 2008 under SEHP

# Health Care Commission Review of Bariatric Surgery in 2006

- Findings:
  - Preventive, non-invasive treatment not covered at that time
  - Relatively high incidence of complications and even death
  - Morbidity and mortality vary considerably with experience of surgeon and hospital
  - No Centers of Excellence in Kansas
  - Long-term cost-effectiveness not yet demonstrated

# Health Care Commission Review of Bariatric Surgery in 2006

- KHPA Staff Recommendations for State Employee Health Plan (SEHP):
  - Educate consumers on available options for promoting wellness and addressing weight problems
  - Review SEHP plans for 2008 to examine possible expansion in preventive benefits
  - Review HealthQuest program to consider initiatives in the following areas:
    - Physician-supervised weight management
    - Behavior modification
    - Healthy eating
    - Exercise
  - SEHP and Medicaid Staff review of bariatric surgery exclusion
    - Retain exclusion of bariatric surgery

# State Employee Health Plan Changes in 2008

- Provide coverage for non-surgical treatment of obesity
- Expanded coverage for consultation with a dietitian
  - Coverage not limited to diabetics
- Added coverage for prescription weight loss medications

# HealthQuest for 2008

- Healthy Lifestyle Programs Includes:
  - Healthy eating and weight management information
  - Health coaches to provide ongoing support
  - Teleclass: Healthy Weight
  - Online class and tools

# Medicaid

- Continues to provide reimbursement for prescription weight-loss medications with prior authorization
- Provides for reimbursement for medical nutrition therapy for children under the KanBeHealthy program

# New Developments

- Kansas now has two Centers of Excellence for bariatric surgery as designated by the American Society for Bariatric Surgery
- Centers for Medicare & Medicaid Services (CMS) has 3 certified centers in Kansas to provide bariatric services to Medicare beneficiaries
  - Limited geographic area
- Continued increase in insurance coverage and prevalence of bariatric surgery
- Explosion in research
  - Emerging evidence of the positive health impact for the extremely obese
  - Continued advancement in procedures and knowledge of quality indicators

# Additional Considerations

- Estimated cost of coverage for the State Employee Health Plan:
  - \$13 Million annually
  - Estimate depends on pre-certification requirements
- Additional costs of coverage in Medicaid

# Summary

- Recognized Problem:
  - Obesity and overweight epidemic in U.S. and in Kansas
  - Increasing costs for chronic diseases due to overweight and obesity
- KHPA Health Reform Recommendations:
  - Emphasize value of preventive care
  - Emphasize benefits of medical homes in caring for chronic diseases
    - Smoking
    - Overweight and obesity
- KHPA Policies for Coverage of Obesity
  - KHPA programs remain open to revisiting coverage for bariatric surgery
  - Health reform recommendations address prevention, wellness, and value of medical homes

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