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House Insurance & Financial Institutions 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
- KHPA engaged in Statewide Health Reform initiative in 2007 and 2008 emphasizing prevention and wellness
- 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

KHPA Health Reform Recommendations

- Health Reform Goals:
 - Promote personal responsibility to embrace healthy behaviors
 - Emphasize value of preventive care
 - Emphasize benefits of medical homes in caring for chronic diseases
- Targeted Risk Factors:
 - Behaviors & Disease:
 - Tobacco Use
 - Obesity
 - Chronic Diseases
 - Populations:
 - Families
 - Communities
 - Schools
 - Workplaces

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:
 - As much as \$13 Million annually
- Additional costs of coverage in Medicaid
- Costs will depend on pre-certification requirements

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
 - Changes have been made to State Employee Health Plan, and are proposed in Medicaid, to emphasize prevention and treatment for high-cost conditions such as overweight and obesity
 - New evidence supporting potential value of bariatric surgery merits consideration

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