

Payers remain reluctant to endorse bariatric surgery

By Patty Enrado, Contributing Editor

TAMPA, FL – According to the Centers for Disease Control, an estimated \$75 billion in direct medical expenditures was attributable to obesity in 2003, and annual hospital costs related to overweight and obesity among children and adolescents has risen from \$35 million to \$127 million over the past two decades.

Some payers have been reluctant to cover bariatric surgery, and instead are focusing on non-surgical procedures, wellness programs and chronic care and disease management programs.

Blue Cross Blue Shield of Texas does not cover bariatric surgery for its fully insured products, although a number of its self-insured groups have included it in their benefit plans. “Our coverage reflects our position that lifestyle behavior can be managed with exercise and diet,” said Allan Chernov, MD, medical director of Health Care Policy and Quality for BCBSTX. Bariatric surgery is not a panacea, there’s no solid business case to support the coverage and its benefits over risks is questionable, he said.

Cigna revised its coverage position on bariatric surgery in May to include new procedures. While benefit plans vary by employer groups, the majority of its employer customers select a plan that covers the surgery, said spokesman Mark Slitt. When the service is covered, patients must meet Cigna’s medical necessity criteria.

Lloyd Stegemann, MD, surgeon at New Dimensions Weight Loss Surgery in San Antonio, Texas, argued that the criteria developed by payers are too stringent, so the coverage isn’t meaningful.

Another problem, he said, is that while NDWLS’ data shows that the surgery pays for itself within two to five years, payers won’t cover it because a transitory workforce doesn’t allow the payer to reap the benefits of the patient’s improved health status.

James Zervios, spokesman for the Obesity Action Coalition, noted that the medications needed for a 340-pound, six-foot-tall person with hypertension, diabetes and a body mass index of 48 for five years is more expensive than bariatric surgery. “It’s a better quality of life and quality of health off of medications, and patients are more productive,” he said.

The Centers for Medicare and Medicaid Services (CMS) requested public comment in February 2006 to its intent to issue a policy. CMS is still reviewing the issue and will file a final decision sometime in November, and spokesman Peter Ashkenaz.

Zervios said the coalition hopes the CMS addresses the inconsistency by Medicare state intermediaries over how long a patient should be medically managed before bariatric surgery is covered. The bottom line, he said, is that “All therapy should be covered and accessible at the appropriate time.”

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