

May 6, 2019

Renee Walk, MPH Strategic Health Policy Advisor Office of Strategic Health Policy WI Department of Employee Trust Funds

Members, Wisconsin Group Insurance Board PO Box 7932 Madison WI 53707-7931

Dear Ms. Walk and GIB Members:

We are writing to request the assistance of Employee Trust Funds (ETF) in facilitating further consideration by the Group Insurance Board (GIB) of including bariatric surgery as a participation requirement for health plans for the upcoming benefit year (2019). Bariatric surgery is considered the most effective treatment for severe obesity, which affects 15-20% of Wisconsin state employees.

In 2013, a GIB advisory study group reviewed bariatric surgery as one of several benefit adjustments considered for the 2014 benefit year. Following its review, the study group took no action related to bariatric surgery. Subsequently, ETF asked Segal Consulting to provide recommendations regarding covered benefits. A 2014 Public Sector Letter from Segal stated that "over the long term, covering obesity treatments is likely to save plans money by avoiding serious and costly chronic diseases and conditions for which obesity is a major risk factor." Despite this favorable language from Segal, ETF again decided not to include bariatric surgery as a standard benefit.

In 2017, only the "Access Plan" plan from WPS covered bariatric surgery for state employees. This plan was costprohibitive for most patients, and fewer than 20 patients per year underwent bariatric surgery using this benefit. With the demise of the WPS Access Plan in 2018, Wisconsin state employees currently have no bariatric surgery coverage. This makes Wisconsin a significant outlier compared to other states as Wisconsin is one of just six states that does not include bariatric surgery as a covered benefit for state employees.

In 2006, bariatric surgery became a Medicare covered benefit. In the 13 years following that national coverage decision, bariatric surgery has now become a covered benefit under the Federal Employees Health Benefits Program, TRICARE, the overwhelming majority of state employee health plans, almost every state Medicaid plan, 23 state essential health benefit benchmark plans and majority of large employer health plans. Despite the broad coverage of bariatric surgery and the significant scientific evidence surrounding its profound impact on type 2 diabetes and numerous other serious chronic conditions, many health plans – such as our state's employee health plan -- continue to discriminate against this range of surgical interventions for millions of Americans affected by severe obesity.

Over the past few years, there has been an important dialogue between medical providers and health insurers regarding bariatric surgery. We have presented the most recent published, peer-reviewed national and institutional-level data regarding long term bariatric surgery outcomes to every health plan represented within ETF. Unlike several years ago, **multiple local health plans now cover bariatric surgery for non-state employees, including most recently Quartz insurance and Dean Insurance.** Two other previous state employee health plans – Gundersen and Physicians Plus – are now part of Quartz and thus also cover bariatric surgery for non-state employees.

Based on these recent events and the steady publication of evidence-based literature that supports bariatric surgery as a highly effective treatment for adults with severe obesity (body mass index ≥35), we think the Group Insurance Board should add bariatric surgery coverage to its list of benefits for 2020.



We are prepared to offer the study group the most recent data supporting bariatric surgery as a medically necessary procedure and look forward to highlighting the parameters surrounding the current standard of care for bariatric surgery. Finally, we can help provide relevant actuarial analysis regarding potential member costs – which we believe will be minimal as demonstrated by the findings of the Maryland Healthcare Commission (MCH) following the state's decision to mandate bariatric surgery coverage for those seeking treatment for severe obesity. MCH found that the annual premium for state employees only rose 0.3 percent due to the added bariatric surgery benefit.

Thank you for your consideration of this request. We look forward to your response, and we welcome any dialogue you may wish to have on this issue.

Respectfully

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