2020 Benefit Change Review Bariatric Surgery GIB Item 7A

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Informational Item Only

No Board action is required

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Bariatric Surgery Coverage

Added to all plans in 2020

• Formerly an Access Plan only benefit, removed in 2018

Covers members with BMI of 35 or greater

- Lower BMI may be covered if plans have coverage policy
- Pre-surgery requirements may apply for all surgeries
- Coverage includes required pre-surgery services

Plans required to develop authorization criteria



Bariatric Surgery Types and Coverage Criteria

Plans generally cover the same types of surgeries

Similar pre-surgical requirements:

- Unsuccessful prior weight loss attempts
- Nutrition counseling
- Psychological counseling

Half of plans allow coverage for BMI under 35

Require Type 2 Diabetes with uncontrolled high blood sugar



Members Eligible for Bariatric Surgery

- 7,832 members in 2020 and 7,176 members in 2021 were eligible for bariatric surgery
 - 4.5% of members
 - 59% female



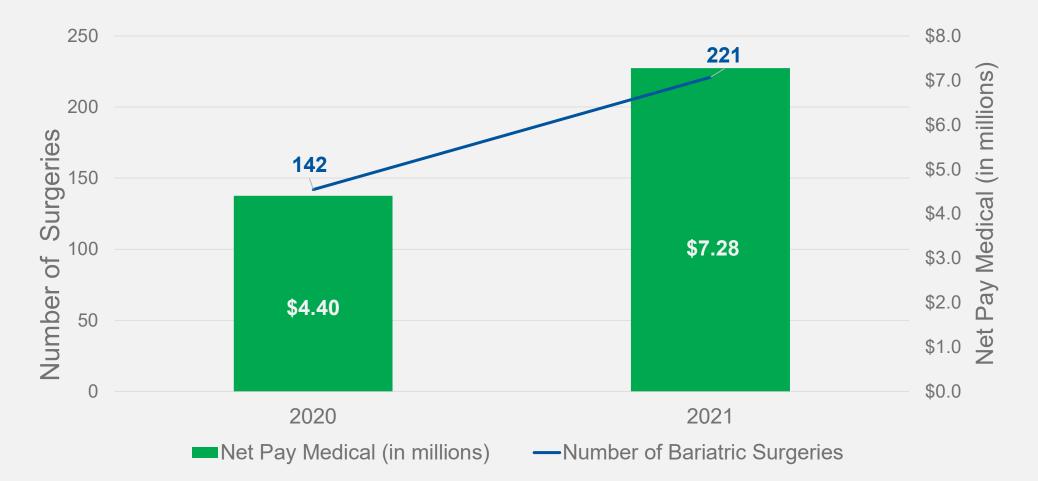
Eligible versus Non-Eligible

Population Group	Average Risk Score	Average Allowed PMPY	Average Pharmacy Scripts Per Year	Average Medical Visits Per Year	ER Visits per 1,000	Admits Per 1,000
Not Eligible	77	\$5,415	11	8	196	37
Eligible	255	\$18,341	30	18	551	167



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Utilization & Costs



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Bariatric Surgery Experience

Typical bariatric surgery patients:

- Were female (80%)
- Were inpatient (95%)
- Cost \$31,890

Outpatient surgeries significantly lower cost (avg \$15,914)



Anticipated Outcomes

Reduction in Type 2 diabetes, insulin use

Cost recovery within 26 to 30 months

Larger weight reduction than non-surgical programs

Cost and health outcomes will take time

(Ref. GIB | 02.16.22 | 7A, pages 5 – 6)

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Next Steps

Additional analysis:

- By surgery type
- Cohort study
- Return on investment

Next review of benefit in 2023



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Questions?