

# Blue Perspective

BCBSOK Position on Legislation and Regulatory Issues



**BlueCross BlueShield  
of Oklahoma**

A Member of the Blue Cross and Blue Shield Association,  
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## Surgical Treatment for Morbid Obesity

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**Issue.** Obesity has become epidemic in the U.S. and in Oklahoma.\* Because many of these severely overweight individuals are unable or unwilling to lose weight, they — and their physicians — are seeing surgery as the solution. Patients also are looking to their health insurers to cover the substantial costs of this surgery — an expensive solution with unproven, long-term success and well-documented high-risk to the patient.

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Roland Sturm, who studies the economic impact of obesity for the Rand Corporation says, “Insurance companies are feeling the first pressure of the increasing costs of the rising obesity epidemic from this procedure. If we look into the future, the rising obesity epidemic will continue to have tremendous effects on health care costs. It’s an astonishingly big factor. And it’s only going to get bigger.” (*Washington Post*, April 11, 2004)

### Surgery or Drugs?

The two most common surgical treatments for obesity are gastric bypass and gastric banding. Bypass surgery uses staples to close off the stomach, and the small intestine is rerouted. Gastric banding uses an adjustable band to limit the amount of food that can enter the stomach. In both cases, the intent is to cause the patient to feel full much sooner and to quit eating sooner.

Drug therapy also is available to treat obesity. The drugs work by suppressing the appetite; however, when the drug is discontinued, the patient’s appetite returns. The excess weight also returns, unless the patient is able to make significant lifestyle changes. In addition, the drugs are addictive. The drug most often prescribed to treat obesity in Oklahoma is Adipex-P. Thirty capsules currently cost \$53, and at the usual dosage of one or two capsules daily, the cost can be more than \$100 per month.

\* Obesity is defined by the National Institutes of Health as a body mass index (BMI) of greater than 30. Morbid obesity is a BMI of 40 or more, or about 100 lbs. overweight.

### ***Implications of Surgical Treatment for Morbid Obesity:***

- **One in four adult Oklahomans are obese.** That means roughly 500,000 adults are substantially overweight. – *Oklahoma State Department of Health.*
- **Sixty thousand Oklahomans are morbidly obese** (more than 100 pounds overweight). – *Oklahoma State Department of Health.*
- **The number of morbidly obese Americans** is increasing by 10 to 12 percent per year. – *New York Times, Aug. 29, 2003.*
- **Nationwide, obesity surgery has increased an estimated 800 percent** from 1995 to 2004. – *New York Times, May 4, 2004.*
- **Obesity surgery for federal employees in Oklahoma increased 263 percent** from 2001 to 2003. The average price for the surgery increased 175 percent in the same period, from \$12,000 to \$33,000. – *Blue Cross and Blue Shield of Oklahoma data.*
- **Health insurance premiums could easily rise by \$75 to \$100 million** in just a few years, if insurers are required to pay benefits for obesity surgery. Adding to the high cost is the recommendation that patients have life-long follow-up for their condition. – *Blue Cross and Blue Shield of Oklahoma data.*
- **Many insurance companies do not cover the surgery**, because of the high cost of the initial surgery and its frequent complications.
- **It's extremely difficult surgery.** The mortality rate is estimated at 2 percent and is significantly higher for patients over age 65. The National Institutes of Health (NIH) believe that 10 to 20 percent of patients need additional surgery, and 30 percent develop nutritional deficiencies leading to anemia and bone loss.
- **The majority will regain the weight over 20 years**, according to Dr. James Ostroff, director of clinical gastroenterology at the University of California, San Francisco. – *New York Times, May 3, 2004.*
- **The NIH has embarked upon a 5-year, \$15 million research project** to answer questions related to the costs, risks and medical outcomes of gastric bypass surgery. The State of Massachusetts, too, is studying the effectiveness of the procedure, due to the number of deaths in that state following the surgery.

#### **Risky Procedure**

Surgery for morbid obesity is risky. Any surgery for individuals who are overweight has a greater risk than the same surgery for a person of normal weight. For example, one Oklahoma patient who had gastric bypass surgery more than a year ago has required 22 surgical procedures, because of infections, adverse reactions to drugs and cardiac arrest. To date, insurance has paid more than \$1.4 million, and the patient's continuing health problems are expected to add significantly to that amount.

### **Blue Cross and Blue Shield of Oklahoma Position**

Blue Cross and Blue Shield of Oklahoma believes that access to quality health care is vital to all Oklahomans. In this period of rapidly rising health care costs, any mandated health benefit should be subject to an extensive cost/benefit analysis. In the case of a potential obesity coverage mandate, costs of the surgery include both monetary costs and patient health costs: obesity surgery has not been proven to reduce morbidity, has a high risk of major complications or even death, and because of potentially high demand for the surgery, it could result in even greater increases in health care benefit costs. For these reasons we oppose any mandate requiring coverage for surgical treatment of morbid obesity.