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Policy Advisory
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RE: Public Comment on the Essential Benefit Benchmark Plan Selection

Mr. Hughes

In the coming weeks, the State of Arizona will move forward in selecting a benchmark health plan to define the scope of its essential health benefits package for its health exchange plan. At this critical juncture, the Obesity Action Coalition (OAC) and our more than 2,000 members from Arizona implore the state to recognize our country’s rising obesity epidemic and the importance of ensuring patient access to medically necessary treatment services for the medical and surgical management of obesity.

Specifically, we are recommending that the State adopt the state employee health benefit as the model for the essential benefit program as it covers at least some of the services to treat obesity (nutrition evaluations and bariatric surgery). In addition, we are recommending that the State carefully review services required by the Affordable Care Act (such as intensive obesity counseling as it has a B rating from the USPTF) to make sure they have been added, as required. Finally, we recommend that a process for adding “new” essential benefits be developed quickly as new, safe and effective obesity treatments, such as obesity drugs, either have been or will be approved and will soon be available to citizens of Arizona.

Obesity’s impact on both individual health as well as healthcare costs is well documented. Many large employers, federal programs, such as Medicare, Tricare and the Federal Employees Health Benefits Plan as well as State plans, such as state employee and Medicaid, provide coverage for various obesity treatment services as they recognize both the health improvement as well as cost-savings benefit of such coverage. Unfortunately, this philosophy has not translated down to the small employer and individual markets regarding the fundamental obesity treatment tools – intensive behavioral counseling, pharmacotherapy and bariatric surgery as it appears that private insurers have placed short-term profits and/or concerns about adverse selection above the health of their members as well and their long-term bottom line.

Let’s Treat Obesity with the Respect, Urgency, and Action it Deserves!

Too often, for too long, private health plans have excluded coverage for obesity treatment services -- partly due to shortsighted cost savings efforts and partly due to the false assumption that these services are either not medically necessary, or not in line with generally accepted standards of medical care despite scientific evidence to the contrary.

Just like many other serious medical conditions, obesity is a complex, multifactorial chronic disease, which requires a multidisciplinary treatment approach. This approach must encompass the best standards of care, both in terms of the
The mission of the Obesity Action Coalition is to elevate and empower those affected by obesity through education, advocacy and support.
Addendum

Background:

Intensive Behavioral Counseling

Recently, the United States Preventive Services Task Force (USPSTF) reinforced the medical necessary nature of treating obesity seriously by recommending that clinicians not only screen adults for obesity but offer or refer patients with a body mass index (BMI) of 30 kg/m2 or higher to intensive, multicomponent behavioral interventions for 12-26 sessions in a year.

These updated recommendations are critical given that under the Affordable Care Act (ACA), USPSTF preventive services with an “A” or “B” rating must be covered by all health plans with no patient cost sharing. Unfortunately, we note that "obesity/weight control counseling" was identified as an excluded service in 9 of the 10 plans with the remaining plan (one of the small group market ones) being unable to determine coverage/exclusion.

We urge, given the ACA requirements regarding coverage and cost sharing for these preventive services, the state should eliminate any exclusion surrounding evidence-based medical management of obesity.

Bariatric Surgery

At the other end of the care continuum, we note that Medicare, Tricare, 47 State Medicaid plans and 44 State employee plans cover bariatric surgery. In addition, Mercer’s 2010 National Survey of Employer-Sponsored Health Plans show that bariatric surgery is covered by 40% of plans with <500 employees AND also that the fastest growth in coverage is in small employers (<500) which is growing at 8% annually.

In evaluating coverage of bariatric surgery, we noticed a trend similar to the one outlined above in the Mercer data. For example, virtually all of the benchmark plans under consideration provide coverage for bariatric surgery with the exception of the three plans that fall within the “largest small group plans” category.

Prescription Drugs

While coverage for intensive behavioral counseling and bariatric surgery is expanding, the same is not true for obesity drugs. However, the obesity community is extremely hopeful that this will quickly change given the Food & Drug Administration’s (FDA) recent approval of two new obesity drugs (Belviq and Qsymia) – the first new drugs in this class to be approved by the agency in more than 13 years.

While this is a monumental step forward in providing healthcare professionals and their patients new treatment tools, we are concerned that Arizona is about to move forward on establishing its essential health benefit criteria without consideration of the potential of these critical new treatment tools. Unfortunately, the public materials that we reviewed did not include specific information regarding coverage of weight-loss drugs. However, most plans currently exclude coverage for these treatment tools.