

# U of M – Weight Reduction/Bariatric Surgery

Applies to:



**Blue Cross  
Blue Shield**  
of Michigan

A nonprofit corporation and independent licensee  
of the Blue Cross and Blue Shield Association

Medicare Plus Blue<sup>SM</sup> PPO  Medicare Plus Blue<sup>SM</sup> Group PPO  Both

## Weight reduction/bariatric surgery

Bariatric surgical procedures are performed to treat comorbid conditions associated with morbid obesity. Malabsorptive procedures divert food from the stomach to a lower part of the digestive tract where the normal mixing of digestive fluids and absorption of nutrients cannot occur. Restrictive procedures restrict the size of the stomach and decrease intake. Surgery can combine both types of procedures.

## Original Medicare

Under Original Medicare, a beneficiary may be eligible for bariatric surgery if he or she:

- Is obese with a body mass index, or BMI, over 35.
- Suffers from at least one obesity-related comorbid condition, such as diabetes or hypertension.
- Has been unsuccessful with other medical treatments for obesity.

If the beneficiary meets these criteria, Original Medicare will cover open and laparoscopic roux–en–Y gastric bypass, open and laparoscopic biliopancreatic diversion with duodenal switch, and laparoscopic adjustable gastric banding.

These procedures are only covered when performed at facilities that are.

- Certified by the American College of Surgeons as a level 1 bariatric surgery center (program standards and requirements in effect on February 15, 2006).
- Certified by the American Society for Bariatric Surgery as a bariatric surgery center of excellence.

A list of approved facilities and their approval dates is available on the Centers for Medicare & Medicaid Services website: [www.cms.gov/medicare/coverage/center](http://www.cms.gov/medicare/coverage/center)

Original Medicare doesn't cover the following bariatric surgical procedures:

- Open adjustable gastric banding
- Open and laparoscopic sleeve gastrectomy
- Open and laparoscopic vertical banded gastroplasty.

In addition, the safety of intestinal bypass surgery and the long-term safety and efficacy of the gastric balloon have not been established. These procedures do not meet the reasonable and necessary provisions of §1862(a) (1) of Title XVIII of the Social Security Act and are therefore not covered under Original Medicare.

Supplemented fasting is not covered under the Original Medicare program as a general treatment for obesity. However, where weight loss is necessary before surgery in order to ameliorate the complications posed by obesity when it coexists with pathological conditions such as cardiac and respiratory diseases, diabetes, or hypertension (and other more conservative techniques to achieve this end are not regarded as appropriate), supplemented fasting with adequate monitoring of the patient is eligible for coverage on a case-by-case basis or pursuant to a local coverage determination. The risks associated with the achievement of rapid weight loss must be carefully balanced against the risk posed by the condition requiring surgical treatment.

# Blue Cross Blue Shield of Michigan

[bcbsm.com/providers](http://bcbsm.com/providers)

Effective for services performed on and after June 27, 2012, Medicare Administrative Contractors acting within their respective jurisdictions may determine coverage of stand-alone laparoscopic sleeve gastrectomy (LSG) for the treatment of co-morbid conditions related to obesity when the Medicare beneficiary has all of the following conditions:

- a) A BMI  $\geq$  35 kg/m<sup>2</sup>
- b) At least one comorbidity related to obesity
- c) Been previously unsuccessful with medical treatment for obesity

## Medicare Plus Blue<sup>SM</sup> PPO enhanced benefit

Medicare Plus Blue is a Medicare Advantage plan that provides at least the same level of benefit coverage as Original Medicare (Part A and Part B) and may provide enhanced benefits beyond the scope of Original Medicare within a single health care plan. This flexibility allows Blue Cross to offer enriched plans by using Original Medicare as the base program and adding desired benefit options.

Coverage for weight reduction/bariatric surgery is provided to members under the University of Michigan Medicare Plus Blue PPO group plan. Since Original Medicare limits coverage of weight reduction/bariatric surgery, the group determines the scope of the benefit, reimbursement methodology, maximum allowed payment amounts and member cost sharing for those with group-based coverage.

Additional surgical procedures for severe obesity are covered if all of the following criteria are met:

- The patient has a BMI over 40 or a BMI of over 35 with comorbid conditions (such as degenerative joint disease, hypertension, hyperlipidemia, coronary artery disease, presence of other atherosclerotic diseases, Type II diabetes mellitus, sleep apnea and/or congestive heart failure).
- Bariatric surgery may be indicated for patients 18 to 60 years of age. Requests for bariatric surgery for patients less than 18 years of age should include documentation that the primary care physician has addressed the risk of surgery on future growth, the patient's maturity level and the patient's ability to understand the procedure and comply with post operative instructions, as well as the adequacy of family support. Patients above 60 years of age may be considered if it is documented in the medical record that the patient's physiologic age and comorbid condition(s) result in a positive risk benefit ratio.
- The patient has been clinically evaluated by an M.D. or D.O. The physician has documented failure of non-surgical management including a structured, professionally supervised (physician or non-physician) weight loss program for a minimum of twelve consecutive months within the last four years prior to their commendation for bariatric surgery.
- Documentation should include periodic weights, dietary therapy and physical exercise, as well as behavioral therapy, counseling and pharmacotherapy, as indicated.
- Documentation that the primary care physician and the patient have a good understanding of the risks involved and reasonable expectations that the patient will comply with all post-surgical requirements.
- A psychological evaluation must be performed as a presurgical assessment by a contracted mental health professional in order to establish the patient's emotional stability, ability to comprehend the risk of surgery and to give informed consent, and ability to cope with expected post-surgical lifestyle changes and limitations. Such psychological consultations may include one unit total of psychological testing for purposes of personality assessment (e.g., the MMPI-2 or adolescent version, the MMPI-A).
- In cases where a revision of the original procedure is planned, documentation of all of the following is required:
  - Date and type of previous procedure
  - The factors that precipitated failure
  - Any complications from the previous procedure that mandate (necessitate) the takedown
  - If the indication for the revision is a failure of the patient to lose a desired amount of weight, then the patient must meet all of the initial preoperative criteria.

Previous gastric restrictive procedures that have failed for anatomic or technical reasons (e.g., obstruction, staple dehiscence, etc.) are determined to be medically appropriate for revision without consideration of the initial preoperative criteria.

## Conditions for payment

The table below specifies payment conditions for weight reduction/bariatric surgery.

Conditions for payment	
Eligible provider	M.D., D.O., practitioners
Payable location	Inpatient hospital, outpatient hospital
Frequency	No restrictions
CPT/HCPCS codes	43842, S2083
Diagnosis restrictions	E6601, E6609, E661, E668, E669, Z6835–Z6839, Z6841–Z6845
Age restrictions	18 to 60

## Reimbursement

Medicare Plus Blue plans' maximum payment amount to providers for annual physical examinations is available on our provider website on the Medicare Plus Blue enhanced benefits [fee schedule](#). The provider will be paid the lesser of the allowed amount or the provider's charge, minus the member's cost share. This represents payment in full and providers aren't allowed to bill the member for the difference between the allowed amount and the charge.

## Member cost sharing

- Medicare Plus Blue providers should collect the applicable cost sharing from the member at the time of the service when possible. Cost sharing refers to a flat dollar copayment, a percentage coinsurance or a deductible. Providers can only collect the appropriate Medicare Plus Blue cost-sharing amounts from the member.
- If the member elects to receive a noncovered service, he or she is responsible for the entire charge associated with that service.
- Providers may not have members sign an Advance Beneficiary Notice to accept financial responsibility for noncovered items or services. If there is any question about whether an item or service is covered, seek a coverage determination from Blue Cross before providing the item or service to the member. If a provider provides a noncovered item or service to a member without first obtaining a coverage determination, the member must be held harmless for all charges except for any applicable cost share.

To verify benefits and cost share, providers may utilize our provider portal or call 1-866-309-1719.

## Billing instructions for providers

1. Bill services on the CMS 1500 (02/12) claim form for all payable locations, except for Federally Qualified Health Center (FQHC) providers; which should be billed on the CMS UB-04 claim form.
2. Use the Medicare Advantage PPO unique billing requirements.
3. Report CPT/HCPCS codes and diagnosis codes to the highest level of specificity.
4. Report your National Provider Identifier number on all claims.
5. Submit claims to your local Blue Cross plan.
6. Use electronic billing:
  - a. Michigan providers  
Copies of the ANSI ASCX 12N 837 and 835 Institutional Health Care Claim Payment/Advice (Blue Cross Electronic Data Interchange (EDI) Institutional 837/835 Companion Documents) are available on the Blue Cross website under the reference library section at [bcbsm.com/providers/help/edi](https://bcbsm.com/providers/help/edi).
  - b. Providers outside of Michigan should contact their local Blue Cross plan.

**References:** [Bariatric Surgery for the Treatment of Morbid Obesity\\*](#)

\*Clicking this link means that you're leaving the Blue Cross Blue Shield of Michigan and Blue Care Network website. While we recommend this site, we're not responsible for its content.

**Revision history**

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