

taking

FINANCIAL COMPLICATIONS

out of Cash-Pay Surgery

by **Nikki Johnson**

If your insurance won't cover your weight loss surgery, you are not alone. Every year, thousands of people find themselves in the same predicament. The sad truth is that people without insurance coverage of their bariatric surgery have long been faced with a terrible choice: go without life-saving surgery, or pay cash for the surgery and risk crippling financial liability when complications arise. Many of those people probably feel a bit like the woman who said, "I was willing to die, but I was not willing to go bankrupt," because for some, bankruptcy is simply too high a price for their families to pay.



Complications are pretty rare, but even with the odds on your side, you may find your financial outlook very frustrating and even unfair. There are companies that offer financing to cover the initial surgery, deferring your payments over time, but your financing will only pay for the surgery itself, not for any problems that may develop later.

When complications arise, you and your surgeon are both in an unenviable position. Your surgeon almost certainly genuinely cares about your welfare and did everything possible to prevent complications. When they happen, the stress of the mounting medical bills and the resulting frustration often sour an otherwise positive relationship.

Patients faced with impossible medical bills sometimes feel that a lawsuit is their only option, but what they don't realize is that development of known complications does not indicate malpractice. Essentially, malpractice is when a mistake is made. Complications are, by definition, not mistakes: they sometimes happen even when your surgeon does everything right. Unless your surgeon made a genuine mistake, you will be stuck with the bills, both medical and legal. Even when you do not turn to legal action, unpaid bills mean that your surgeon, your hospital and your other medical providers lose the fees that keep them in the business of saving lives. It is a risk some surgeons are willing to face if it means giving more people access to life-saving surgery, but nobody wins when this is the outcome.

In short, you know that having the surgery carries a small chance of death and a somewhat larger chance of complications, but it also offers your best chance for a longer, healthier life. Why should you have to risk all that your family has worked for in order to pursue the one thing that will probably save your life? You shouldn't!

The Good News

Surgical complications do happen, but they happen at a predictable rate. Data about surgical outcomes has been collected for many years, so the general surgical complications (bleeding, infection, leaks, etc.) and procedure-specific complications (band slippage or erosion, obstructions, etc.) are well documented.

The good news is that when there is reliable data showing how often a complication happens and what it costs to pay for treatment, it is possible to assess the

financial risk and plan for it. That's exactly what Regi Schindler, president and CEO of BLIS, Inc., knew from his years spent assessing risk at facilities as well-run and prestigious as the Mayo Clinic and the Oregon Health Sciences University. Mr. Schindler co-founded BLIS, Inc., to address the pervasive problem of cash-pay financial liability in bariatric surgery. His company then created BLISCare, an insurance product based on data they compiled from several reliable sources.

So how does it work? Select surgeons who meet the stringent requirements set by BLIS participate in the program. Exact terms of the coverage are determined by the surgeon and BLIS together. All of the surgeon's cash-pay patients are then automatically enrolled in the plan. Some or all of the plan premium—which ranges from about \$600 to \$2500, depending on the specific complications covered and the length of time the coverage applies—is built into your total cash price through the various fees associated with surgery. That premium is all you will have to pay in order to realize the benefits included in your cash price as offered by the BLIS surgeon.

According to Schindler, it may be helpful to think of BLISCare by way of an analogy: "When you buy a new car, it is under factory warranty. That means that when certain well-defined problems develop with the car, not resulting from your negligence, you, as consumer, can take the car back to an authorized dealership, which will assess the problem and perform the repairs that you authorize at no cost to you. Similarly, when your surgeon participates in BLISCare, the insurance company will pay for diagnosis and treatment of defined conditions, as long as you go back to your BLIS surgeon for diagnosis, treatment and referrals within a specified timeframe."

It's important to keep in mind that your surgeon will be the one diagnosing your conditions and guiding your care for the duration of your coverage period. If you feel you are not getting an accurate diagnosis, you are free to go to another surgeon, but you will have to do so at your own expense, because the plan ultimately insures your surgeon, not you.

There are also two things to remember about the length of coverage. First, there is the reporting period, or the period of time during which your surgeon must be able to document symptoms of the covered complication. Second, there is the care period. The care period extends up to 365 days beyond your reporting period, and during that time, under the care of your surgeon,



you will not be charged for treatment of conditions that surfaced during the reporting period.

If your surgeon, for whatever reason, stops participating in BLISCare during your treatment period, you, as a current cash patient, will still have the benefits of the plan for the duration of your coverage period. New patients, however, will not be offered the benefits of coverage through the surgeon.

The Bigger Picture

The availability of this new insurance product is likely to have long-term impact on bariatric surgery. For instance, consider the insurer's perspective. BLIS keeps continuously updated outcomes data on their affiliated surgeons. Why? Well, for some of the same reasons your car insurer keeps tabs on your driving record: it just doesn't make sense to insure someone who presents an unreasonable risk. This continuous eligibility qualification provides an added assurance that your surgical quality will be high. When quality is high and complications are infrequent, treatment costs go down, so the cost of insurance coverage can also be expected to lessen over time, bringing the costs down for cash-pay patients.

Choosing a surgeon insured through BLIS may cost you somewhat more upfront. However, in return,

you receive the benefits of knowing that your surgeon continues to meet high quality standards as determined by BLIS—an independent third party—and that covered complications that develop will not create financial liability for you and your family. Your financial arrangements surrounding surgery deserve careful thought and planning, and those choices, like the choices to have surgery, are personal.

Ultimately, we may not have yet found the perfect solution to the cash-pay dilemma. Certainly, one solution would be that traditional individual health plans would be available to everyone and would cover bariatric surgery and the complications that sometimes arise. As the years pass and the market conditions change, that may happen. In the meantime, you may find it comforting to know that you have other choices... because you should not have to choose between your life and your financial security. ❖

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