



**Statement of
Children's National Medical Center**

**HB 1017
Health Insurance - Child Wellness Benefits
House Health and Government Operations Committee
Maryland General Assembly**

March 3, 2010

Children's National Medical Center is pleased to support House Bill (HB) 1017, "Health Insurance - Child Wellness Benefits." Children's National commends Delegate Kirill Reznik for his leadership in introducing this bill, which would require that all visits for obesity evaluation and treatment be reimbursed as part of child wellness visits.

Children's National Medical Center, a 283 bed not-for-profit academic medical center, is located in Washington, DC, but serves the pediatric health care needs of the broader Washington metropolitan region. Located just three miles from the Maryland border, Children's National annually devotes nearly 60% of its inpatient care to children from Maryland. With five outpatient centers in Maryland and specialty care services provided in eight Maryland locations, Children's National is proud to be one of the largest providers of high quality pediatric primary, specialty and emergency care to Maryland's children and families.

About Childhood Obesity

According to the Centers for Disease Control and Prevention, more than nine million children between the ages of six and 19 are overweight or obese - a number that has tripled since 1980. The United States Department of Health and Human Services estimates that overweight adolescents have a 70 percent chance of becoming overweight or obese adults. This increases to 80 percent if one or more parent is overweight or obese.

The Trust for America's Health 2009 report, *F as in Fat*, estimates that 26 percent of adults in Maryland are obese and 28.8 percent of children ages 10-17 are overweight. The same report estimates 15.9 percent of high school students in Maryland are overweight and are at risk of obesity. At Children's National, we see children with complications from obesity that are normally exhibited as an adult, such as diabetes, hypertension, dyslipidemia, liver disease, sleep apnea, and heart disease.

According to a 2005 U.S. Government Accountability Office (GAO) report, the rise in obesity-related health conditions also introduces added economic costs. GAO estimates that nationwide, obesity-related health expenditures accounted for more than 25 percent of the growth in health care spending between 1987 and 2001. In 2000, an estimated \$117 billion was spent for health-related expenditures due to obesity, with direct costs accounting for an estimated \$61 billion.

Childhood obesity is a priority issue for Children's National. As such, Children's National adopted a policy statement in 2008 about childhood obesity. The policy statement is attached.

Children's Obesity Institute

There is no magic pill that will solve the problem of childhood obesity. Of course, healthy eating and exercise are key components to losing weight and leading a healthy lifestyle, but the factors that contribute to childhood obesity are complex and numerous. Home and play environments, family traditions and attitudes toward food, and psychological and social issues all play a role in contributing to childhood obesity.

In 2009, Children's National founded an Obesity Institute to address every arena of obesity in the community. Through the Obesity Institute, Children's National seeks to reduce childhood obesity using a multidisciplinary approach that draws upon our clinical expertise, as well as research, policy and advocacy partners in the region. The Obesity Institute's vision is to be recognized regionally, nationally and internationally as a leader in developing and disseminating best practices for the prevention and treatment of obesity.

Children's National's IDEAL Clinic

Children's National's IDEAL Clinic (Improved Diet, Exercise & Activity for Life) treats children and teens ages two to 18 who are at risk of obesity and who have been classified as obese, and develops multidisciplinary management plans for the patients and their families. Patients have access to psychologists, dietitians, and exercise therapists as well as nurses, physicians, and specialists in gastroenterology, endocrinology, cardiology, sleep medicine, psychology, and exercise therapy. The IDEAL Clinic is the only comprehensive multidisciplinary treatment program for children with obesity in the metropolitan region.

After a child is admitted into the IDEAL Clinic, they are followed by specialists intensively for six months, followed by monthly visits for approximately 12-18 months. During treatment, the child may receive dietary, nutritional, and weight management counseling, as well as group health education and physical activity classes. In addition, parents receive individual education to create an environment conducive for the child to manage their weight.

The IDEAL Clinic is part of the Goldberg Center for Community Pediatric Health (Goldberg Center). One of Children's National's clinical Centers of Excellence, the Goldberg Center offers a community-based model that focuses on comprehensive primary care, prevention, diagnoses and treatment of pediatric health conditions prevalent in the region.

Due to the success of the program and financial challenges associated with offering multidisciplinary specialty care that is reimbursed well below cost if at all, there is a two year waiting list for admittance to the program.

HB 1176

During the 2008 Legislative Session, Children's National worked with Delegate Joseline Pena-Melnyk (D-Prince George's County) to secure passage of HB 1176, which created a state-level obesity task force. The task force, of which Children's National was a member, was specifically tasked with examining physician reimbursement and the appropriate use of obesity screening for children.

The task force submitted its final report to Governor Martin O'Malley and the General Assembly in December 2009. Children's National was pleased that the task force's report includes these final recommendations:

- Reimburse for body mass index (BMI) documentation, obesity diagnosis, and treatment referral by Providers.
- Reimburse for comprehensive, multi-disciplinary treatment for children who are overweight and obese by a specialized center.
- Reimburse primary care providers for early recognition and management of children who are overweight and obese.
- Identify indicators and feasible collection methods for monitoring childhood overweight and obesity, such as BMI, amount of daily physical activity, food intake, and other community measures.

HB 1017

Despite the health risks associated with obesity, patients and physicians get little support from health insurers in terms of treatment. Many insurers will not cover weight-loss treatments unless the patient has an obesity-related secondary condition such as diabetes or hyperlipidemia. One study of 191 children in a hospital weight-management program found a median reimbursement rate of 11 percent, with variations from 0 to 100 percent. Third-party payers' failure to recognize obesity as a primary and reimbursable diagnosis code creates a barrier for patient access to comprehensive obesity treatment services. It also results in under-reporting of the prevalence of obesity.

The American Medical Association (AMA), Health Resources and Services Administration (HRSA), American Academy of Pediatrics (AAP), and others have endorsed and published clinical guidelines around diagnosis, assessment, treatment, and prevention of childhood obesity. This evidence-based best practice provides the optimal framework to ensure that adequate reimbursement aligns with clinical care recommendations.

HB 1017 builds upon the recommendations of Children's National, the state-level obesity task force, and the other organizations listed above in recognizing that obesity evaluation and treatment should be reimbursed.

Children's National recommends that HB 1017 be amended to include Medicaid among the payors required to reimburse for obesity evaluation and treatment services.

Conclusion

Children's National Medical Center is committed to policies that improve the health and well-being of children throughout our region. In fact, it is part of Children's National's mission to improve health outcomes for children regionally, nationally and internationally. As such, Children's National Medical Center respectfully urges the Committee to give a favorable report to HB 1017. Passage of HB 1017 will no doubt improve children's access to critical services that will help to combat the alarming rates of obesity in Maryland.