The Advisory Board Company

Service Line Strategy Advisor

Profiles of Non-Surgical Weight Loss Programs

Original Inquiry Brief
October 4, 2012

Research in Brief

As obesity and its related comorbidities remain top concerns nationwide, many hospitals are considering how to enhance their services to this patient group. Understanding that weight loss demands a comprehensive approach to care, many hospitals have launched non-surgical weight loss programs to support those patients who are not candidates for surgery. These weight management programs vary greatly in their organization, program offerings, patient referral patterns, payment structure, and marketing strategies, though all aim to help patients lose excess weight. This brief profiles three non-surgical weight loss programs at community and teaching hospitals to identify the variety of services available.

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Table of Contents

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I. Introduction and Observations

Obesity is a nationwide epidemic, with approximately 35.7% of U.S. adults classified as obese.[1] Though some recent data show a slower rate of growth, the impact on hospitals remains high. Obesity-related conditions, including heart disease, stroke, and type 2 diabetes, constitute the leading causes of preventable death in the United States. Obesity affects not only morbidity and mortality but also cost; in 2008, medical costs of obesity were estimated at $147 billion per year.[2]

To curtail this trend and improve the health of their patients, many hospitals have introduced bariatric surgery programs. Weight loss surgery can prove beneficial for some patients, though many do not qualify for surgery yet require professional help to lose weight. In response to this need, hospitals have added non-surgical weight loss services to complement their surgical offerings.

While the type of services offered in these programs differs across hospitals, they all state a desire to provide care to overweight patients. In addition to the program scope, there is significant variation in the number and type of program staff, patient referral patterns, and cost to the patient. All programs employ at least one dietitian, run independently from the bariatric surgery program, screen patients prior to the start of the program to establish individual goals, and reach out to primary care physicians for referrals.

The following insights reflect common characteristics of non-surgical weight loss programs as taken from interviews with administrators at three institutions.

Key Insights on Medical Weight Loss Programs

I. Limited interaction between medical and surgical weight loss programs

At all three institutions profiled, there is low patient crossover between non-surgical and surgical weight loss programs. Even at programs that use the same staff for both programs (i.e. Hospital A), few patients from either program will eventually join the other. Hospitals appear to design non-surgical programs not as feeders to bariatric surgery but as distinct entities to help those patients who are not good candidates for surgery; with one exception (Hospital B) that requires a non-surgical program prior to surgery, patients in one program are not actively encouraged to participate in the other.

II. Programs funded by out-of-pocket fees since payers rarely cover services

All three institutions charge out-of-pocket fees for the non-surgical programs, though one institution (Hospital A) bills an initial physician exam to payers. The prices vary by program, from $200 for 8 weeks to $900 for 12 weeks to a flexible pricing model based on services provided. Programs were self-funded for two of the three institutions profiled.

III. Emphasis on educating primary care physicians to generate referrals

All three institutions reach out to local physicians to promote their non-surgical weight loss programs. While one program with a high physician referral rate (Hospital B) simply lists its program in a newsletter to system-owned physicians, the other two institutions, with significantly fewer patients referred by physicians, send representatives to local offices to promote awareness.

[1] Ogden CL, Carroll MD, Kit BK, Flegal KM. Prevalence of obesity in the United States, 2009–2010. NCHS data brief, no 82. Hyattsville, MD: National Center for Health Statistics. 2012.

[2] Finkelstein, EA, Trogdon, JG, Cohen, JW, and Dietz, W. Annual medical spending attributable to obesity: Payer- and service-specific estimates. *Health Affairs* 2009; 28(5): w822-w831.

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II. Research Summary

The following table gives an overview of several program components at the institutions profiled:

	Hospital A	Hospital B	Hospital C
Hospital Profile	200-bed teaching hospital in the Mid-Atlantic	800-bed teaching hospital in the Midwest	150-bed community hospital in the Northeast
Staff	• Dietitians • Exercise Physiologists • Counselor • Coordinator • Bariatrician	• Dietitians • Exercise Physiologists • Coordinators	• Dietitian • Health Educator
Integration with bariatric surgery	Separate program; shared staff	Separate program	Separate program
Program components	• Intake • 12 weeks of classes & exercise sessions • Maintenance program	• Intake • Classes, meetings, exercise; highly variable	• Intake • 6 weeks of classes • 3 month post-assessment
Enrollment structure	Rolling; 40 patients maximum at a time	Rolling	Cohort of 12-15 patients 4 times per year
Percent of patients who self-refer	85%	30%	80%
Marketing efforts	• Informational seminar • Outreach to PCPs	• Dietitian writes column in local paper • Program mentioned in newsletter to system PCPs	• Informational seminar • Newspaper ads • Facebook, Twitter • Inserts in hospital newsletter • Outreach to PCPs • Internal outreach to hospital employees
Payment structure	~$900 out-of-pocket plus billed physician visit	$300+ out-of-pocket	~$200 out-of-pocket
Self-funded	Yes	Yes	No

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III. **Profile:** Hospital A

Coordinated medical program reduces cost and redundancy by using existing resources from bariatric surgery

In 2010, in response to growing demand from the community, this 200-bed teaching hospital created a medical weight loss program that would accommodate patients who did not qualify for surgery. The program consists of a 12-week cycle of weekly classes and exercise sessions. Occasionally, a patient in the medical program may switch to the surgical program, and a patient initially interested in surgery may join the medical program. For the most part, however, the programs run independently and neither program is designed to feed into the other. Still, while the programs themselves are distinct, they are run by the same staff.

Institution type:	200-bed, not-for-profit, teaching hospital in the East
Source:	Bariatric Service Line Director
Integration with surgical program:	Independent program with shared staff
Self-funded?	Yes

One bariatric staff serves both surgical and medical programs

The bariatric service line director decided to offer a medical weight loss program at the hospital in part because the staff required to run such a program already existed in the bariatric surgery program. This team includes:

- One professional counselor (0.5 FTE)
- Two dietitians (approximately 1.8 FTE)
- Four to six exercise physiologists (PRN)
- One bariatric coordinator (splits time but is primarily on the surgical program)

The hospital is in the process of hiring a bariatrician, a physician who has completed residency and continued on to specialize in the field of bariatrics. Hospital A found that many bariatricians are not “surgery friendly” and thus not well-suited to work in a center with both medical and surgical offerings. In the past, the program has used hospital primary care physicians as an ad hoc group to oversee the medical program. The primary care physicians are located several miles from the medical weight loss facilities, but the incoming bariatrician will be located on the same campus. With a dedicated bariatrician on board, it truly will be a “medical weight loss program” and the hospital hopes the program will continue to grow.

One director oversees independent medical and surgical programs

Both the medical weight loss program and the surgical weight loss program report through the bariatric service line director. This individual manages other service lines as well, which allows for “cross-pollination;” the director can identify patients in other service lines who might need help with weight loss (e.g. breast cancer patients who have gained weight from medication, joint replacement surgery candidates who need to lose weight in order to undergo surgery) and encourage them to join the medical weight loss program. Approximately one patient per quarter will enter the medical program, learn about surgical offerings, and transition to the surgical program; the medical program is not designed as a feeder to surgery and the hospital is proud to offer both options. Surgical patients do undergo a medical program in conjunction with surgery but it is distinct from the 12-week strictly medical program. Occasionally, patients interested in surgery but over the 500lb. weight limit will join the medical weight loss program first in order to attain a weight that qualifies them for surgery.

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Informational seminars and physician marketing draw patients to program

The medical weight loss program receives patients through both self-referral and physician referral. In 2011, about 85 percent of all patients were self-referred. In the past year, there has been an uptick in the number of physician referrals; administrators attribute this increase to the program website and to hospital representatives who went to primary care offices in the area to market the program. The bariatric director believes that many physicians are uncomfortable speaking with their patients about weight issues and are thus eager to refer patients to bariatricians, who specialize in that field.

Patients referred to or interested in the medical weight loss program are encouraged to attend an informational seminar that gives a high-level overview of the medical program. The hospital does not screen patients for certain conditions or comorbidities in a preliminary application; before beginning the program, patients meet with a physician, dietitian, and exercise physiologist, and these appointments serve to identify any issues that could hinder a patient's participation or success.

Twelve week meeting cycle includes education and exercise

The medical weight loss program is a 12-week series of weekly meetings, each of which consists of a class and an exercise session. The classes, which include 20 minutes of lecture followed by discussion, are led by a clinician (rotating between a physician, nurse, dietician, and counselor) and cover topics such as portion control, how to eat out, and the importance of sleep. These classes are held in a conference center in a different building, but on the same campus as the bariatric center, which serves as the hub for both surgical and medical programs. In addition to the class, patients exercise for 45-60 minutes; because the program has grown, patients are now divided into two smaller exercise groups, with one group exercising before class and the other exercising after. Each week, patients also weigh in, record their blood pressure, and turn in food logs. If patients are on a meal replacement program, they pick up and submit orders. The program does restrict diet, though not as severely as other weight loss programs (e.g. 600 Cal/day) as to ensure adequate nutrition. Patients meet with a dietitian and an exercise physiologist prior to beginning the program, at week 6, and at the end of the program.

Rolling enrollment and maintenance program increase number of patients involved

The program can accommodate up to 40 patients total in the core 12-week program, and the hospital usually sees about 7-10 new patients per month enter the program. Enrollment is rolling, rather than a strict cohort program, which allows new patients to hear the stories of returning patients.

After 12 weeks, patients can renew for another 12-week cycle; some patients return and find that they continue to derive value from the weekly sessions even though they've attended the lectures before. Many patients continue on in a continuing education/maintenance program; these patients weigh in each week, are encouraged to work out, and take a course on mindful eating. The hospital coordinates these courses with a yoga instructor to encourage mind-body awareness.

Internal and external competition of limited concern as program not seen as profit-generating

The medical weight loss program does face some internal opposition from a surgical team who advocates treating patients through Optifast, a Nestlé medical weight loss program that provides meal replacement products for patients and medical protocols for providers. The hospital also faces competition from other hospitals and from private companies offering weight loss programs, but the medical weight loss team pays little attention to competition as it views the program as a community service.

Program is self-funded by out-of-pocket fee

The hospital initially tried to charge one flat fee out-of-pocket for all services but found the physician payment system too complicated. Now, the initial physician visits and labs are billed to insurance (with co-pay) and the rest of the services are covered by an out-of-pocket fee of about $900 paid in one lump sum. If patients do not want to participate in the larger program and instead just want a couple meetings with a dietitian, those appointments are billed as outpatient visits.

IV. **Profile:** Hospital B

Decentralized program offers resources a la carte for customized weight loss plans

This 800-bed teaching hospital is part of a larger health system whose hospitals each have independent weight management program(s). Hospital B is the flagship hospital, and its weight management program, started in 2003, currently offers a range of services based on patients' individual needs. The program is run in the Center for Athletic Medicine, approximately an eighth of a mile from the hospital; the bariatric surgery program holds its education programs there as well, though the surgery itself takes place in the hospital. In 2011, the weight management program treated 386 patients, and there is consistently a 2-month waiting list to enroll. Throughout the entire health system, about 900 new patients per year enter weight management programs.

Institution type:	800-bed, not-for-profit, teaching hospital in the Midwest
Source:	Medical Director, Weight Management and Bariatric Surgery
Integration with surgical program:	Non-surgical program required for surgery patients
Self-funded?	Yes

Clinicians and patients select from available services to create custom program

The hospital offers customized diet plans depending on patients' weight loss goals, including very low calorie diet (VLCD), a meal replacement plan, and a simple calorie restriction plan. Before beginning the program, an exercise physiologist and dietitian evaluate the patients. The staff includes six exercise physiologists, five dietitians, and two administrators; there are no physicians or nurses associated with the program and there is no psychological counseling beyond what the dietitian provides because the behavioral health department offers its own weight loss services.

The weight management program offers a variety of education programs, including meetings (of varying frequency), one-on-one appointments, group appointments, and online education. Rather than creating one standard track for patients to follow, the program provides a variety of resources that patients can select and purchase on top of the base assessment and diet plan. There is also an optional group exercise program that patients can join.

Surgery patients required to participate in the weight management program

This hospital's bariatric surgery program requires patients to undergo one year in the weight management program prior to surgery. Unfortunately, the hospital sees a large drop off between weight management enrollment and surgery. Patients who enter the non-surgical program will occasionally elect to have surgery but generally stick to the distinct weight management program. The weight management program accepts any patient, whereas the surgical program does not accept patients over 500-600 lbs, thus broadening the medical weight loss program's potential patient pool.

Program funded through series of fees based on services selected

The medical weight loss program is self-funded through out-of-pocket fees; the first four months cost about $300, which covers three dietitian visits, ten exercise physiologist visits, six group education classes, and access to online support resources. Additional months, services, and supplements are charged separately and vary depending on the service and the individual plan. Profits from the sale of meal replacements and protein shakes go back into the program.

Approximately half of the patients in the medical weight loss program are insured through the health system's HMO, which covers bariatric surgery but not the separate weight management program.

No active marketing efforts as most patients referred by physicians

The hospital does not invest in advertising for the weight management program. One of the dietitians writes a weekly column in the local newspaper with suggested recipes, and is also writing a cookbook; these publications list her affiliation with the hospital but are not specifically designed as a marketing tactic. The physicians in the health system's insurance network receive regular publications from the health system that include information about the weight management program.

Most patients (approximately 70 percent) are referred to the weight management program by their doctors, though an official physician referral is not needed since most services are not covered by insurance.

Director plans to streamline disparate programs into a single evidenced-based program

There are approximately 17 different non-surgical weight loss programs throughout the health system. Some hospitals have multiple programs that are not coordinated; for example, one hospital has a weight loss program run by the bariatrics department and another run exclusively by behavioral health, with no integration of services. The current medical director plans to explore evidence-based methods for weight loss and apply these principles to a coordinated program for weight loss throughout the health system.

The medical director also advocates for wellness initiatives directly within the health system; the system's insurance plan for its 20,000 employees offers rate discounts for participating in health education programs and the CEO recently removed a fast food franchise from the main hospital building.

V. **Profile:** Hospital C

Limited insurance coverage dissuades physicians from recommending center to patients

Since the early 1990s, this institution has run a weight loss program through its Wellness Center. The patients in this cohort program are primarily self-referred, and while they pay an out-of-pocket fee, the program is not ultimately profitable. The program shares a facility with the bariatric surgery program but runs independently under the direction of an autonomous staff. The Wellness Center initiates modest but successful community marketing and asks weight loss patients to return after the program ends to evaluate their success.

Institution type:	150-bed, not-for-profit, community hospital in the Northeast
Source:	Director of Wellness Services
Integration with surgical program:	Independent program with dedicated staff
Self-funded?	No

Dietitian and health educator design personal weight loss plans, teach classes, and conduct pre- and post-assessments

The Wellness Center offers a variety of services, including programs for diabetes education, bariatric surgery, childhood obesity, CPR/First Aid, and weight loss. The 8-week weight loss program, offered four times each year, hosts a cohort of 12-15 patients who may be anywhere from slightly overweight to morbidly obese. While dietitians over the years have varied, the program consistently focuses on a lifestyle approach to weight loss through healthy eating and physical activity, rather than employing quick diet tactics. The weight loss program is led by a health educator, who was trained in health and physical education and used to work in school districts, and a dietitian.

The program begins with an orientation in the first week, after which patients can sign up to continue. In the second week, patients meet individually with the dietitian and health educator. The dietitian assesses each patient's needs and makes recommendations, and the educator discusses specific exercise behaviors and takes baseline measurements of physical fitness. Once individual weight loss plans have been established, patients attend classes taught by the dietitian and educator. Class topics include positive eating behaviors, supermarket psychology and food labels, physical activity and appropriate exercise, nutrition and balanced meals, healthy cooking and eating out, self-assessment and readiness for change, and motivation and relapse prevention. The Wellness Center produces its own book for the program, giving the educator flexibility to change material as necessary. After 8 weeks, the program ends; however, patients return 3 months later for a post-assessment at which point the dietitian and educator check in and evaluate their progress.

Weight loss program services and staff run independently from surgical program

The weight loss and bariatric surgery programs are both located in the Wellness Center facility but are independent. Some patients have tried the lifestyle weight loss program then decided to have surgery, and some patients have attended the surgery information session but decided to join the non-surgical program after realizing that they are not ready for or in need of surgery; however, fewer than 10 patients per year switch from one program to another. Insurance may cover general nutrition education but is more likely to reimburse a one-on-one consultation than a group class. There is a separate dietitian who focuses exclusively on bariatric surgery patients.

Limited insurance coverage may cause physician hesitation in referring patients for medical weight loss

Approximately 20 percent of the patients in the non-surgical weight loss program were directly referred by a physician. Conversely, about 90 percent of the patients in the Wellness Center's diabetes program were referred by physicians. The low percentage of physician referrals in the general obesity program could be due to poor insurance coverage for obesity education programs in Hospital C's market; diabetes programs are widely covered by insurance and physicians may be hesitant to refer patients to a program with a high out-of-pocket fee. Wellness Center staff also speculate that many physicians may be too rushed or even too uncomfortable to speak with patients about their weight.

At this hospital, patients pay a $200 out-of-pocket fee for the weight loss program. Despite this fee, the weight loss program is not profitable.

Hospital newsletter has largest impact on number of new patients in Center

The Wellness Center advertises the weight loss program directly in local papers, on Facebook and Twitter, on its hospital website, and through inserts in the hospital's quarterly newsletter. The hospital newsletter generates the most interest, as the volume of calls increases after the newsletters are mailed. Administrators also market internally to hospital employees; the hospital's insurance policy covers the program with only a $50 co-pay (compared to the out-of-pocket fee most patients pay). Wellness Center representatives educate local physicians about their surgery program and include information about their other programs, including the non-surgical weight loss program.