

FINANCIAL PLANNING FOR BARIATRIC SURGERY

If you need to lose a hundred pounds or more, bariatric surgery can change your life for the better. Yet, undergoing surgery for weight loss is a major decision, and it requires a major lifestyle change. We can help you achieve a more ideal body mass index (BMI) and optimal wellness but want to stress the importance of planning ahead, especially as you consider financing and payment arrangements.

Depending on your employment status, money accrued in **special savings accounts** (or even your IRA) could be a bariatric surgery financing option.



WHAT ARE SPECIAL SAVING ACCOUNTS?

Special saving accounts are typically employer-sponsored benefits that employees can use to pay for eligible medical and dental procedures that are not covered by insurance. You enroll annually, meaning there is a sign-up window/deadline, called "open enrollment" to keep in mind.

Each month, a designated amount of your wages is placed into the account. After undergoing a medical procedure, paperwork and documentation is filed and exchanged for you to be reimbursed from the money saved into this account.

These special saving accounts vary, and there are limits on how much can be set aside and special considerations when it comes to unused money. *Be sure to check with your employer or provider to learn about the specific details of your account type.*

1. **Flexible Spending Account (FSA)** allows both employers and employees to contribute and is also known by its IRS code, "Section 125". FSA's can be offered alongside any health plan, and withdrawals from this account can be made tax free as long as they are used to pay for qualified medical expenses.
2. **Health Savings Account (HSA)** can only be opened alongside a "qualified high deductible" health plan. Money contributed to an HSA, accumulated interest from the accounts where the money is invested and money taken out of the HSA to pay for qualified medical expenses are all tax free. No other account receives more favorable tax treatment. You may even be able to transfer money already in your IRA to an HSA.
3. **Archer Medical Savings Account (Archer MSA)** are very similar to HSAs, except they are for self-employed individuals or small businesses.
4. **Health Reimbursement Account (HRA)** can only be offered by your employer, and only your employer can contribute money to them. If your company offers one, make sure your plan allows the use of HRA funds to pay for "all qualified medical expenses."

To talk directly with a financial coordinator about special saving accounts and other options for bariatric surgery, **CALL (317) 528-7525.**

IS BARIATRIC SURGERY AN ELIGIBLE EXPENSE?

Bariatric surgery is not always covered by special saving accounts. However, weight loss surgery can be covered if it is recommended/prescribed by your physician to treat an obesity-related health condition.

Given that obesity, particularly morbid obesity has been linked to diabetes, hypertension, stroke, heart disease and other serious conditions, there is a good chance of eligibility depending on your current health.

WHAT IS NEEDED TO SHOW ELIGIBILITY?

Since a physician's recommendation may be required, you'll need documentation from your primary care doctor as well as other paperwork. By providing all the necessary information upfront, your bariatric surgery is more likely to be deemed eligible. *Check with your provider on the exact requirements and necessary documents.*

THE POTENTIAL COST SAVINGS BY BEING PROACTIVE ABOUT YOUR WEIGHT¹

- The annual costs of being obese are approximately **\$4,879** for an obese woman and **\$2,646** for an obese man.
- The costs for obese individuals are **15 times higher** than total costs of overweight individuals, irrespective of gender and employment status.



To learn more or register for an upcoming bariatric surgery seminar, visit FranciscanHealth.org/WeightLoss

¹ Dor, A., Ferguson, C., Langwith, C., Tan, E. (2010) A Heavy Burden: The Individual Costs of Being Overweight and Obese in the United States. The George Washington University Department of Health Policy Research Report. Available at: http://www.stopobesityalliance.org/wpcontent/themes/stopobesityalliance/pdfs/Heavy_Burden_Report.pdf.