



GLP-1s: Transforming Obesity Treatment and Insurance Coverage

By Misty Baker

New weapons are emerging in the battle against obesity, and among the most promising are Glucagon-like peptide-1 agonists, or GLP1s. These medications, developed initially to manage type 2 diabetes, are now gaining significant attention with their game-changing potential to impact and assist with weight loss. As their effectiveness becomes increasingly evident, health insurance companies and employers are starting to take notice and are swiftly adapting their strategies to embrace this groundbreaking approach.

The Emergence of GLP-1s for Weight Loss:

GLP-1s belong to a class of drugs that mimic the action of glucagon-like peptide-1, a hormone that regulates blood sugar levels and appetite. Initially introduced as treatments for type 2 diabetes due to their ability to stimulate insulin secretion, GLP-1 agonists have demonstrated an unexpected side effect – weight loss.

The emergence of GLP-1s as a weight loss agent is more than just a TikTok trend; it marks a significant shift in obesity treatment. Unlike conventional methods that primarily focus on diet and exercise, GLP-1s can offer a unique option that targets the underlying and root causes of obesity and potentially provides a more comprehensive and sustainable solution.

Obesity affects approximately 70% of American adults. Obesity and overweight are serious health issues that increase the risk of premature death, heart attack, and stroke. ¹

How does it work? Research has shown that GLP-1s slow down gastric emptying, reducing food intake and increasing feelings of satiety. These effects make them highly effective in promoting weight loss, even in individuals without diabetes. Furthermore, GLP-1s have shown promise in addressing other obesity-related factors, such as improving blood pressure, cholesterol, heart disease, and lipid profiles.

Response of Employers:

Employers are recognizing the potential benefits of GLP-1s for weight loss, too, both in terms of employee health and productivity, and are responding by incorporating them into their workplace wellness programs and benefits. These initiatives promote healthy lifestyles and encourage weight management, often including educational programs, fitness incentives, and access to nutritional counseling, all of which complement the pharmacological approach of GLP-1s.

99% of companies already covering GLP-1s say they plan to continue covering them and cite higher employee satisfaction and well-being ²

Obesity not only contributes to increased healthcare costs but can also lead to higher rates of absenteeism, reduced productivity, and lower morale among employees. By proactively addressing obesity through interventions, employers can potentially reduce their healthcare expenditures over time and create a healthier, more resilient workforce.

Response of Health Insurance Companies:

Initially, insurance carriers were reluctant to cover GLP1s as weight-loss medications, a stance shared by both commercial carriers and Medicare and Medicaid, with Medicare even prohibiting them. However, the landscape is beginning to shift, offering a glimmer of hope for GLP1 for weight loss advocates.

In November 2023, the American Medical Association (AMA) passed a resolution “urging all payers to ensure coverage parity for evidence-based treatment of obesity, including FDA-approved medications, without exclusions or additional carve-outs” ³. U.S. Congress has also released the Treat and Reduce Obesity Act of 2023 (H.R. 4818 and S. 2407) in an effort to prompt Medicare to cover weight-loss medications. Additionally, the Congressional Budget Office has been working to provide information to Congress on the potential for preventative medical care, including obesity treatment, to save money. Research shows that preventative obesity care could prevent heart disease and Type 2 diabetes ⁴.

Medicare could save nearly \$175 billion within ten years if it covered the new GLP-1 weight loss drugs. ⁵

As clinical evidence demonstrating the efficacy of GLP-1s in weight loss grows, health insurance companies are beginning to take notice, though full coverage isn't widespread yet. Acknowledging the potential of these medications to reduce healthcare costs linked to obesity-related comorbidities, insurers are becoming more open to covering GLP-1 therapies.

Coverage, however, is not always clear-cut. Some GLP-1 drugs are explicitly FDA-approved for obesity management, while others are FDA-approved only for Type 2 diabetes management. Some providers have prescribed GLP-1 agonists approved for diabetes off-label, but pharmaceutical companies are increasingly pursuing approval of the drugs specifically for weight loss.

Plans covering GLP-1 medications for weight loss typically mandate that participants meet three main criteria: (Graphic?)

- **Being obese according to BMI measurements**
- **Having at least one related health condition**
- **Committing to lifestyle changes alongside drug treatment, often including participation in a structured weight management program, including coaching and/or counseling**

These requirements aim to ensure that treatment is reserved for those likely to benefit, striking a balance between cost and access via the pre-authorization process.

The decision to cover GLP-1s is a testament to the insurance industry's evolving approach, shifting towards preventive care and value-based healthcare models. By investing in interventions that tackle obesity at its early stages, insurers are aiming to reduce the occurrence of costly complications such as cardiovascular disease, diabetes, and certain cancers, a shift that all should welcome.

Insurers also recognize that the health benefits of covering GLP-1s for weight loss can lead to significant long-term cost savings. Studies have demonstrated that even modest weight loss can lead to substantial health improvements and a reduced need for costly medical interventions.⁶ By endorsing the use of GLP-1s for weight loss, insurers are promoting better health and securing cost savings for themselves and their policyholders.

Challenges and Considerations:

Despite the promising potential of GLP-1s for weight loss, they do not come without their own challenges. One significant barrier is the cost of these medications, which can be prohibitively expensive for some patients, particularly those without adequate insurance coverage.

As with any medication, GLP-1 drugs have potential side effects and safety concerns. Nausea, vomiting, and headaches are common side effects of treatment. Some studies have raised questions regarding the possible long-term effects of the drugs on pancreatic and thyroid function.

Another consideration is the need for a multidisciplinary approach to combat obesity and its side effects. While GLP-1s offer a valuable tool in the treatment arsenal, they should be used in conjunction with lifestyle modifications, light to moderate exercise, and dietary changes to achieve sustainable weight loss outcomes. An informed evaluation of the risks and benefits associated with GLP-1 drugs is essential, especially when alternative options are available.

Bottom Line:

So, when, if ever, might these weight loss drugs be covered by insurance? Unfortunately, there's no clear, universal answer. The experts stress that it's really in the hands of insurance companies right now—and levels of coverage vary based on carrier, plan, and how state mandates will evolve over the coming months and years. Large and small employers should also be taking note and weighing projected costs against employee satisfaction, health, and well-being. Reach out to your BenefitMall Compliance Team or your BenefitMall Sales Team to ensure you are up to date with the latest news and information on this evolving topic.



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