

EMPLOYEE BENEFITS

What Employers Need to Know About the New Weight Loss Drugs

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More than 4-in-10 Americans have obesity. The CDC estimates that the extra medical expenses associated with obesity exceed \$173 Billion. Moreover, obesity is associated with costly conditions, including diabetes and heart conditions.

A new class of drugs — known as glucagon-like peptide agonists, or GLP-1s — have been found to help people lose excess weight. While these medications were initially approved only for treating Type 2 Diabetes, researchers noticed GLP-1 patients were losing weight. This prompted the manufacturers to file the drugs with the FDA for a new weight loss indication. As part of the approval process, manufacturers re-branded the drugs; Ozempic® was renamed Wegovy® for its weight loss indication. Similarly, Victoza® was renamed Saxenda® for its weight loss indication.

While these drugs offer hope to people suffering from chronic obesity and its related conditions, they are expensive. Wegovy retails for ~\$1,350 per month. The number of people using these drugs has increased because people have been seeing results. However,

this has led to the GLP-1s drug class becoming among the costliest medications for employers over the past two years.

While there have been stories of short-term weight loss due to the GLP-1s, to date, there are no outcome studies demonstrating long-term weight loss success and a corresponding reduction in the prevalence of associated conditions.

What Can Employers Do?

- Use your data to quantify the possible impact of weight loss drugs on your total costs. How many people in your plan are chronically obese and/or have Type 2 Diabetes? How many people are already taking weight loss medications – has that number increased in recent months? What is the average cost of the drugs?
- While some employers might decide not to cover these medications, many employers are adding this coverage as a benefit to help recruit and retain talent. A recent survey from Ro and the Obesity Action Coalition found that, of those who had obesity, 44% said they would change jobs to gain coverage for obesity treatment.

1 <https://www.cdc.gov/obesity/data/adult.html>

2 <https://ro.co/weight-loss/wegovy-cost/>

3 <https://www.axios.com/2023/05/04/employers-weight-loss-drugs>



- If an employer chooses to cover anti-obesity drugs, we recommend they consider the following guidelines:
 - » Implement a prior authorization (PA) program so they are prescribed only for patients who are candidates for treatment. Minimum BMI guidelines should be applied to help ensure the drugs are being used for chronic obesity only as opposed to a quick diet aid. There are risks with these medications that should be thoroughly vetted by the physician before PA is approved.
 - » Consider whether your PBM may apply step therapy, when clinically appropriate, to offer a lower-cost prescription option or possibly a non-therapeutic alternative before starting on GLP-1s.
 - » Follow the FDA guidelines that recommend patients who take GLP-1s must also participate in nutrition and lifestyle coaching to support long-term healthy lifestyles and enhance the chance for sustained weight loss.
 - » Discuss management options with your PBM and medical carrier to help ensure careful monitoring by the physician, especially initially as the medication (Wegovy) dosage is adjusted to its optimal levels. If, after a certain timeframe, the patient does not lose the expected weight or has side effects, the drug should be discontinued.
- Obesity is an increasingly common condition and often leads to other debilitating chronic conditions. While new weight loss drugs offer an opportunity to help patients with chronic obesity, their ability to influence long-term weight loss has yet to be proven.
- Employers who decide to extend coverage for weight loss drugs should work with a pharmacy specialist to assure their PBM has proper guardrails in place and programs are aligned to help ensure the best possible outcomes for the patient and employer.



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