

What Plan Sponsors Need to Know about Anti-Obesity Medications

As more Americans struggle with obesity, anti-obesity medications have become a hot topic as there are new options for treating weight loss. The three most common drugs include Wegovy, Ozempic, and Mounjaro. Wegovy and Ozempic are a brand name for Semaglutide, or a class of medications known as glucagon-like peptide-1 receptor agonists or GLP-1 RAs. This type of medication can lower blood sugar and suppress appetite. The major difference between the two is that Wegovy has a higher maximum dose and was approved by the FDA specifically for weight loss. While Ozempic was approved by the FDA to manage type 2 diabetes alongside diet and exercise, but now is commonly used to treat obesity.

As for Mounjaro, the brand name for Tirzepatide, this newest drug is slightly different. This drug targets two major hormones glucagon-like peptide-1 (GLP-1) and glucose-dependent insulinotropic polypeptide (GIP). It regulates blood sugar levels, which can help patients lose weight, and it was also approved by the FDA for treating Type 2 diabetes.

Between February 2022 and February 2023, weekly prescriptions for Ozempic went up 111%, making it the costliest drug for many employers. Due to the popularity of these drugs, people are beginning to use Ozempic and Mounjaro as off-label weight loss drugs.

	Wegovy	Ozempic	Mounjaro
Generic Name	Semaglutide	Semaglutide	Tirzepatide
Class of Medications	GLP-1 RAs	GLP-1 RAs	GLP-1 and GIP
What the FDA approved it for	Weight Loss	Type 2 Diabetes	Type 2 Diabetes

Obesity is quite common as nearly three in four U.S. adults are obese, which is defined as when someone's body mass index (BMI) is 30.0 or higher. With obesity, there are often comorbidities that can be costly for your organization. On average, those with Type 2 diabetes are costing an extra \$31.55 PMPM to the plan, those with arthritis are costing an extra \$22.60 PMPM, and those with coronary heart disease are costing an extra \$5.93 PMPM. Other comorbidities include depression, obstructive sleep apnea, gastroesophageal reflux disease (GERD), dyslipidemia, asthma, hypertension, polycystic ovarian syndrome, urinary stress incontinence, nonalcoholic fatty liver disease, female infertility, male hypogonadism, and various cancers. Employees with these conditions lead to higher indirect costs as well for employers such as short-term disability, absenteeism, worker's compensation, and productivity loss.

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In the past, plan sponsors may not have covered anti-obesity medications because they were viewed as lifestyle drugs, deemed as unnecessary for covering. Due to the ongoing obesity epidemic within the U.S., a plan sponsor should consider adding anti-obesity coverage. Ozempic and Wegovy typically cost \$10.8K and \$15.6K per patient annually. While allowing these medications to be covered may lead to more short-term pharmacy spending, in the long-term it could alleviate overall costs by treating diseases associated with obesity.

Utilization management (UM) helps to ensure that these drugs are only used for patients who have diabetes. Prior authorization could also be implemented for this drug. If a drug has to go through prior authorization, that means providers need to obtain advance approval from the health plan before the specific drug is administered to the member.

Managing obesity will continue to be a topic of discussion. We at Cowden Associates are eager to support your company in the management of your programs, including anti-obesity drugs. Please reach out to a [Cowden Team](#) member with any questions.

As a plan sponsor, some approaches for managing obesity could include:

- Adding obesity treatments under the medical benefit
- Implementing utilization management or prior authorization
- Offer access to fitness programs, virtual coaching and/or education for safe exercise



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