

Broadening Coverage for Obesity Treatment: A Toolkit for State Innovation

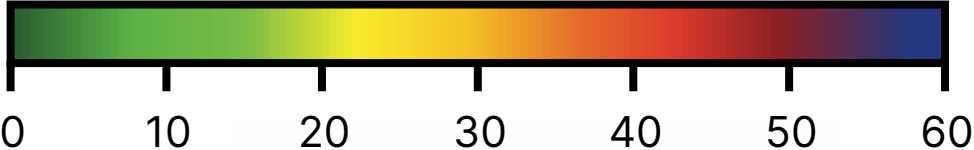
NCOIL Summer Meeting 2022



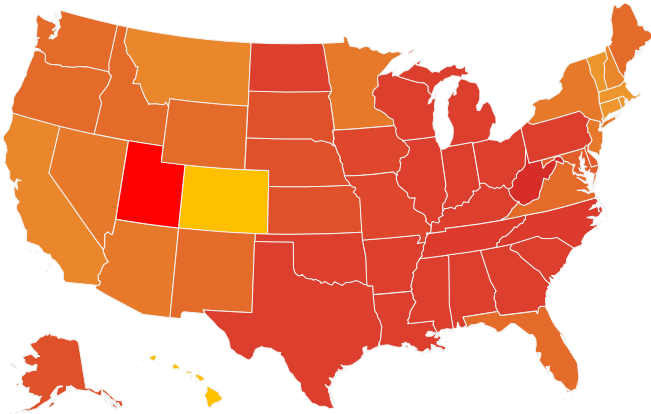
This slide presentation and the accompanying toolkit was commissioned by Novo Nordisk, which also partnered with Randolph Pate Advisors LLC in developing the ideas summarized herein. Randolph Pate Advisors accepted edits and suggestions, but maintained full editorial control over the content.

General Population Prevalence and Projection

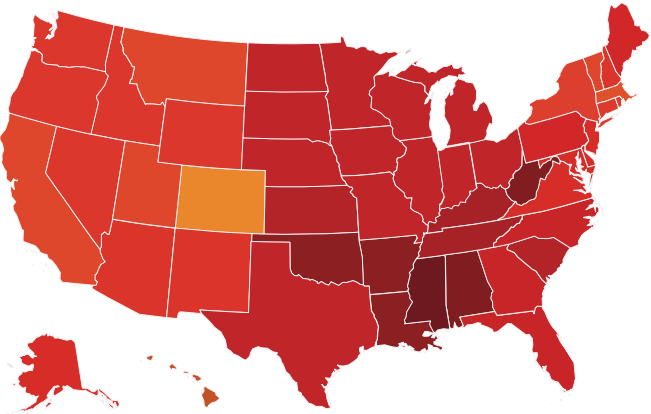
Prevalence (%)



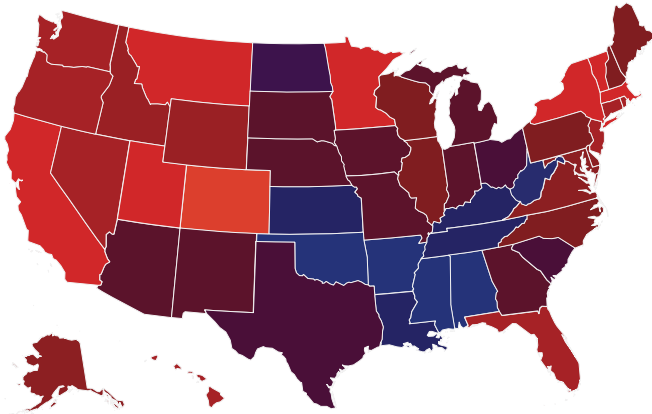
2010



2020



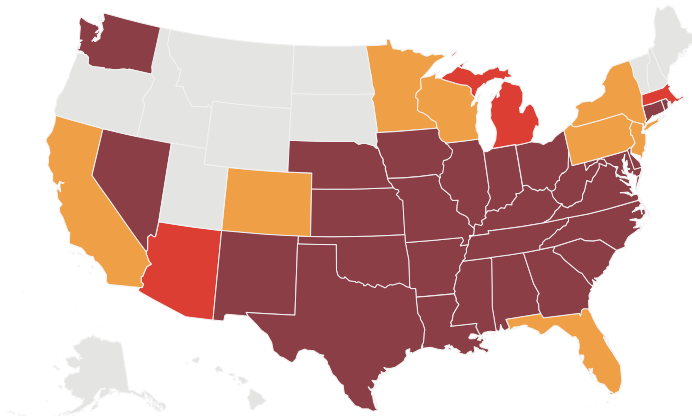
2030



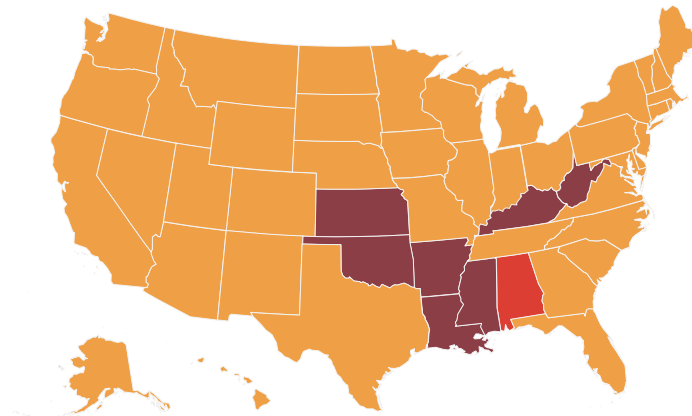
Most Common BMI Group by State: 2030

Projections Based on Race/Ethnicity

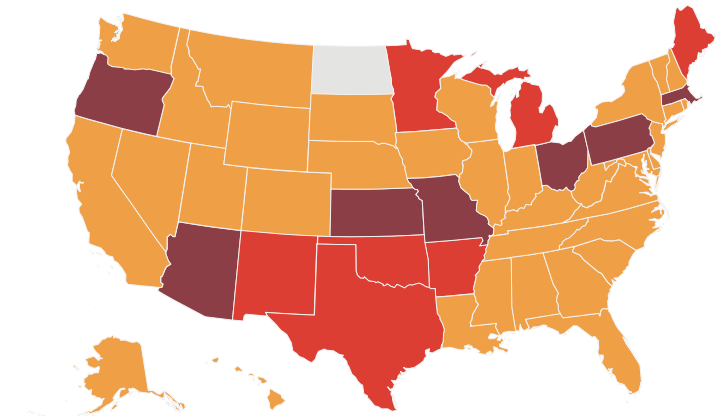
Non-Hispanic Black




Non-Hispanic White





Hispanic





Legend

 Underweight or normal weight (BMI, <25)

 Overweight (BMI, 25 to <30)

 Moderate Obesity (BMI, 30 to <35)

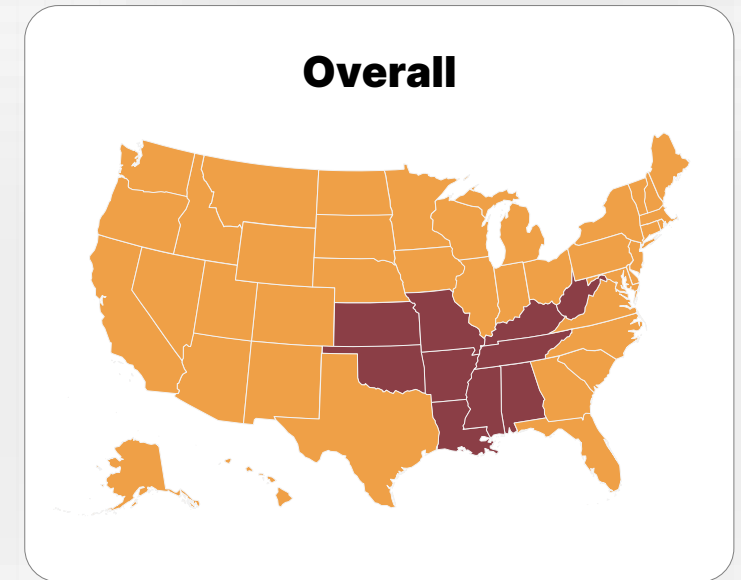
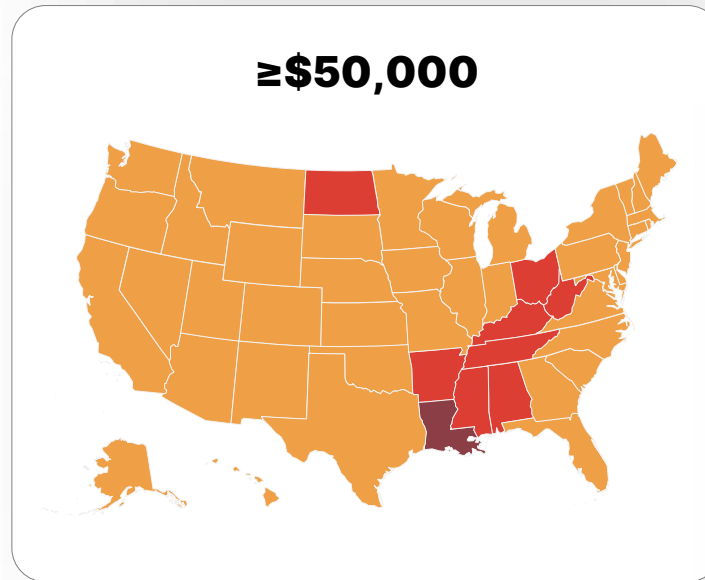
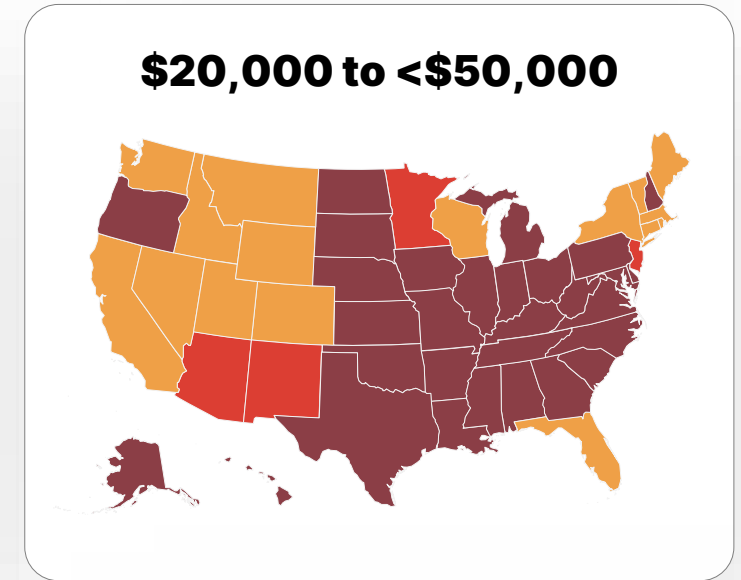
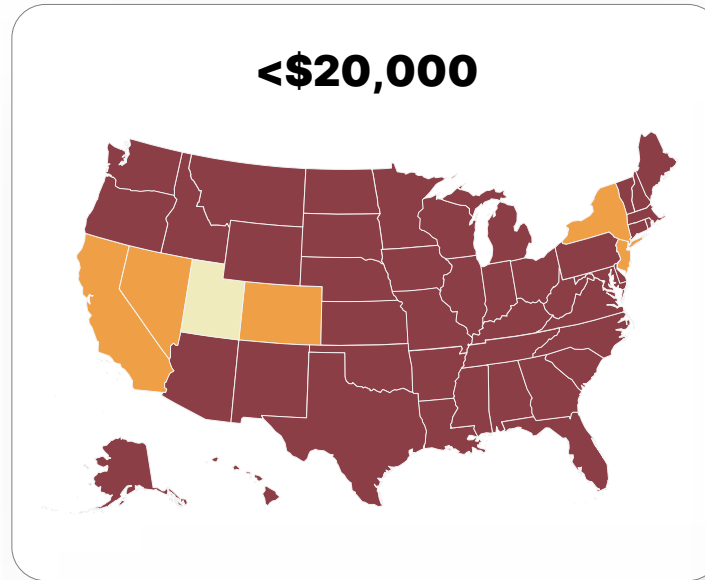
 Severe Obesity (BMI, ≥35)

 Suppressed Estimate

Most Common BMI Group by State: 2030 Projections Based on Income

Legend

- Underweight or normal weight (BMI, <25)
- Overweight (BMI, 25 to <30)
- Moderate Obesity (BMI, 30 to <35)
- Severe Obesity (BMI, ≥35)
- Suppressed Estimate



Costs of Obesity



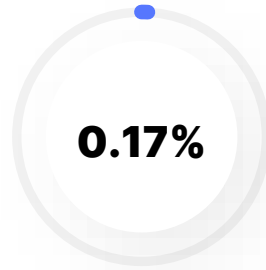
\$1.72 Trillion

Total Cost of Obesity



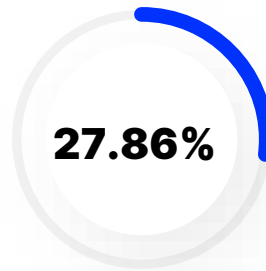
\$61.8 Billion

Medicare & Medicaid Spending
on Obesity



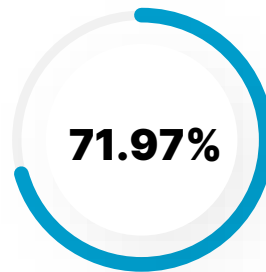
\$2.9 Billion

Direct Costs of Childhood Obesity



\$480 Billion

Direct Healthcare Costs of Obesity



\$1.24 Trillion

Indirect Costs of Obesity

**OLD VIEW = Obesity
seen primarily as a
lack of willpower**

Diet & exercise,
surgery are only
effective treatments;
few seek medical help;
over-reliance on self-
help, fad diets, etc

**Moving
towards a
new view of
obesity**

**NEW VIEW =
Obesity is a
chronic disease**

Reduced stigma; more
seek medical help; new,
more effective therapies
available (e.g., AOMs) to
support traditional
approaches

Obesity Continuum of Care

- ✓ Obesity treatment requires a continuum of care, including behavioral counseling, primary and specialist care, anti-obesity medications (AOMs), and bariatric surgery.
- ✓ New and more effective AOMs are bridging the gap in obesity treatment options between behavioral interventions and more invasive options like bariatric surgery.



**Lifestyle
Change**

Pharmacology

**Bariatric
Surgery**

Barriers to Treatment

- ✓ Partial coverage/lack of coverage for obesity continuum of care
- ✓ Lack of access to/coverage for AOMs
- ✓ Providers lack time to dedicate to obesity treatment as well as knowledge and training needed for successful treatment
- ✓ Misinformation, cost considerations, environmental/social factors, geographic barriers to care

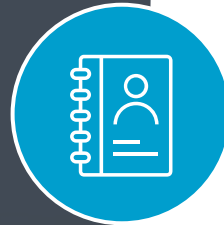


Policymakers Taking Action to Fight the Obesity Crisis



The State of New Mexico

Plan Year 2022: Updated Essential Health Benefits (EHB) benchmark plan to extend coverage for “weight loss drugs and programs”



The US Office of Personnel Management

February 2022: Required insurers participating in the Federal Employee Health Benefits Program (FEHBP) to provide “adequate coverage” of FDA-approved anti-obesity medications on formulary



Methods to Allow Coverage

Toolkit Goals

- ✓ Lay out a range of policy options state policymakers (including legislators and executive branch officials) can use to increase coverage for the range of obesity treatments
- ✓ Options include both legislative and administrative pathways such as EHB benchmark changes, waivers, public programs, and state employee benefits
- ✓ Discuss best practices and recommendations for each option/lever
- ✓ Provide guidance and practical considerations (recognizing trade offs, cost concerns, etc)
- ✓ Recommendations are adaptable for each state's needs (every state is different)





Balancing Cost and Access

The toolkit will also discuss state options for addressing cost and utilization concerns associated with expanding benefits, including examining state approaches and highlighting best practices



How much will coverage cost?



What treatment limitations will there be to manage costs?

Toolkit Contents

- ✓ Problem: What is the problem we are trying to solve
- ✓ Background: Background and description of each option
- ✓ Options: feasible, achievable, realistic
- ✓ Who Can Act
- ✓ Next Steps





State Options

- ✓ State Employee Benefit Plans
- ✓ Essential Health Benefit (EHB) Benchmark Plan Amendments
- ✓ Section 1332 State Innovation Waivers
- ✓ Medicaid State Plan Amendments
- ✓ Risk Adjustment



Questions