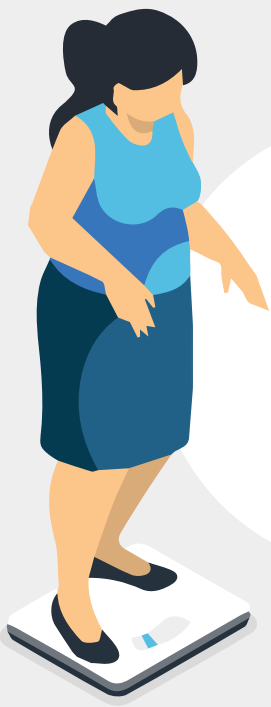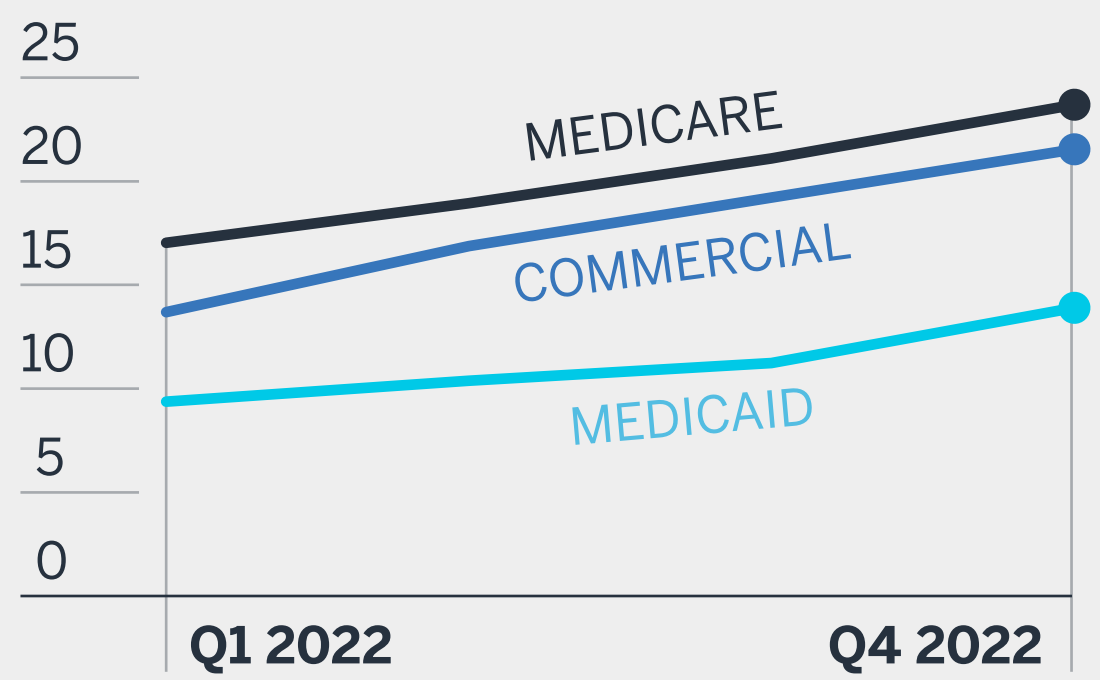# A payer's guide to weight-loss medications

The glucagon-like peptide-1 (GLP-1) receptor agonist drug class—which includes diabetes drugs Wegovy and Ozempic—is proving effective at managing obesity, leading to surging demand. While the medications may help reduce heart disease, their side effects can contribute to discontinuation, leading to waste. Payers evaluating these drugs must weigh the opportunities and challenges.

Drug benefits and costs

42% The share of the U.S. population who is obese

With more than 200 diseases associated with this condition, the demand for weight-loss solutions has never been higher.

Growth in prescription fills per 1,000 health plan members

In 2022 alone, there was a dramatic increase in utilization of the GLP-1 receptor agonist drug class.

MEDICARE
COMMERCIAL
MEDICAID

25
20
15
10
5
0

Q1 2022   Q4 2022

Up to 22.5% The loss in body weight made possible by GLP-1 medications

Up to $17,600
The estimated annual wholesale acquisition cost for GLP-1 drugs utilized for weight loss.
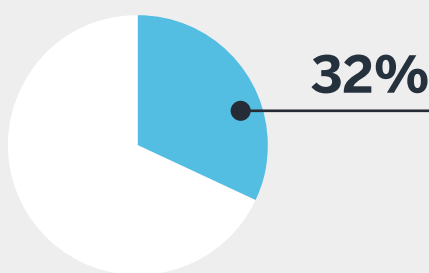
It would cost taxpayers more than $26 billion annually if just 10% of Medicare-eligible patients with obesity got these new drugs.

Patient adherence challenges

Most patients did not maintain the therapy for 12 months, resulting in financial waste for the payers.

Patients maintaining therapy after a year
32%

26%
The waste in drug spend a payer may experience with such low adherence rate

People who stopped taking the drug gained back an average of two-thirds of the weight they had lost after one year.

Strategies for payers

Evaluate coverage of obesity medications, along with the broader benefits strategy, and ensure appropriate measures are in place to align policies with coverage and measure success of programs.

Evaluate the pharmacy supply-chain strategy and research creative options to ensure optimal pricing and value are obtained for this growing category of drugs.

Develop a broad patient engagement strategy to address persistence and adherence issues, treatment and disease-state challenges, along with socioeconomic inequities.

Milliman