

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB 193 requires insurers to cover at least one injectable GLP-1RA medication for chronic weight management for adults with obesity.

FISCAL IMPLICATIONS

UNMH's self-insured health plan does not currently cover GLP-1s for obesity. Adding this coverage would cost approximately \$11 million annually. The fiscal impact estimate presented above assumes 3% annual inflation

SIGNIFICANT ISSUES

Obesity is a chronic illness and a major contributor to many adverse health outcomes. Diseases like diabetes, heart disease and hypertension, all of which are related to obesity, impose high costs on the healthcare system and the economy.

Research shows that a 5% weight loss in obese patients can improve their health and reduce the incidence of obesity-related complications, which can translate into improved quality of life and lower healthcare costs.

Injectable glucagon-like peptide-1 (GLP-1) receptor agonist medications are drugs traditionally used to treat diabetes but they can also be effective in treating obesity.

GLP-1 medications have been shown to be cost effective treatments for diabetes. However, cost-effectiveness studies do not currently provide strong support for mandating GLP-1s for obesity, in part because GLP-1 medications are quite costly and because other, less costly medications and lifestyle changes can produce similar improvements in quality of life at significantly lower cost.

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More broadly, a mandate of this sort could increase premiums that employees and employers pay for health insurance coverage.

Below is a sample of the peer-reviewed research into the cost-effectiveness of GLP-1 treatments for obesity:

Gómez Lumbreras A, Tan MS, Villa-Zapata L, Ilham S, Earl JC, Malone DC. Cost-effectiveness analysis of five anti-obesity medications from a US payer's perspective. *Nutr Metab Cardiovasc Dis.* 2023 Jun;33(6):1268-1276. doi: 10.1016/j.numecd.2023.03.012. Epub 2023 Mar 25. PMID: 37088648.

Hu Y, Zheng SL, Ye XL, Shi JN, Zheng XW, Pan HS, Zhang YW, Yang XL, Huang P. Cost-effectiveness analysis of 4 GLP-1RAs in treating obesity in a US setting. *Ann Transl Med.* 2022 Feb;10(3):152. Doi: 10.21037/atm-22-200. PMID: 35284548; PMCID: PMC8904982.

Semaglutide is the cheapest GLP-1 with an Incremental Cost-Effectiveness ratio (ICER) of \$135,467/QALY.

Baig K, Dusetzina SB, Kim DD, Leech AA. Medicare Part D Coverage of Antiobesity Medications - Challenges and Uncertainty Ahead. *N Engl J Med.* 2023 Mar 16;388(11):961-963. doi: 10.1056/NEJMp2300516. Epub 2023 Mar 11. PMID: 36912541.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS