

Broadening Coverage to Combat the Obesity Epidemic: Policy Ideas for State Medicaid Innovation

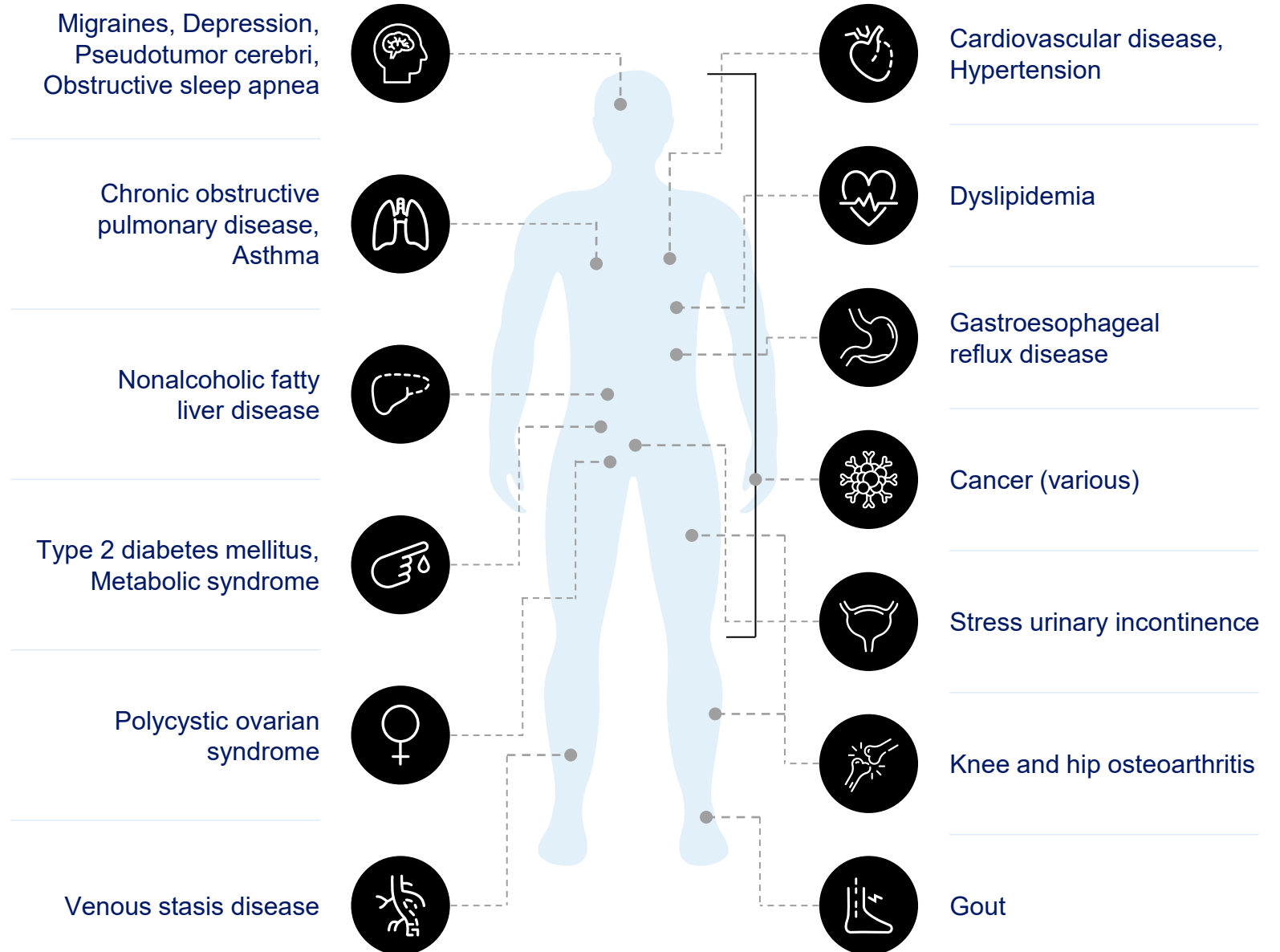


This presentation was commissioned by Novo Nordisk, which also partnered with Randolph Pate Advisors LLC in developing the ideas summarized herein. Randolph Pate Advisors LLC accepted edits and suggestions but maintained full editorial control over the ideas and content.

Patients living with obesity are at an increased risk of developing weight-related comorbidities



This list is not exhaustive and is intended to illustrate only a range of key complications.



Obesity and Communities of Color

Obesity is more prevalent in communities of color than in non-Hispanic white Americans.^{1,2}

1.3x

more likely for Black Americans

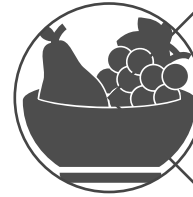
1.2x

more likely for Hispanic Americans

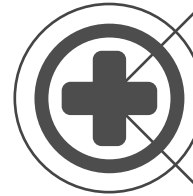


4 out of 5 Black or Hispanic American women have obesity or overweight

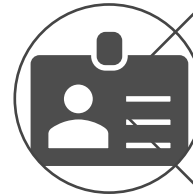
Social Determinants of Health



Access to healthy food and places to exercise



Access to medical care/affordable insurance



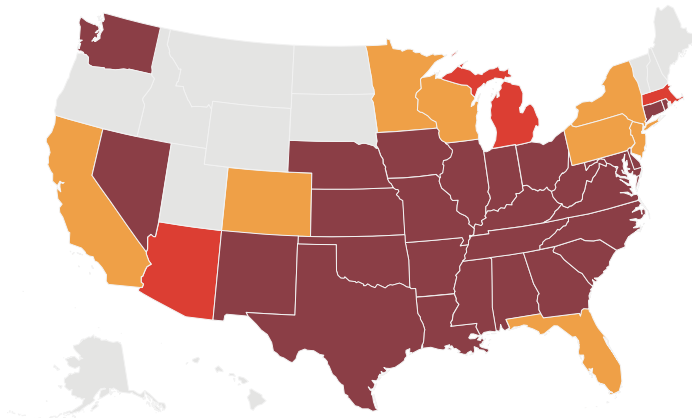
Employment in lower wage jobs

Health inequities and higher obesity rates may have contributed to the disparate impact of COVID-19 in communities of color

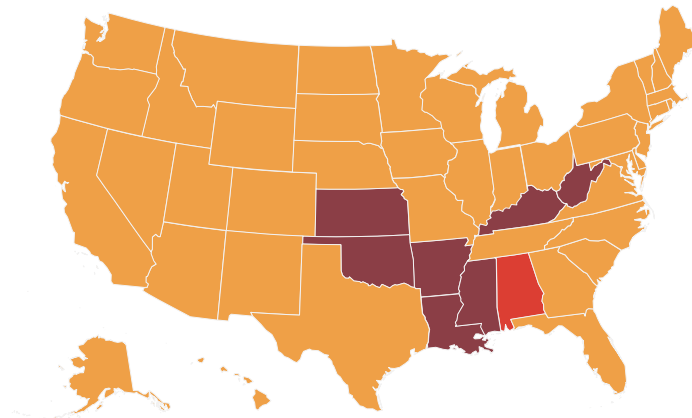
Most Common BMI Group by State: 2030

Projections Based on Race/Ethnicity

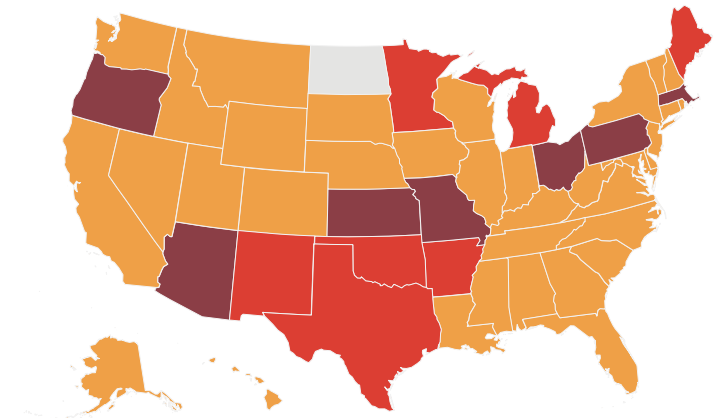
Non-Hispanic Black



Non-Hispanic White



Hispanic



Legend



Social Determinants of Health



Obesity rates have also been found to be higher among people covered by Medicaid than among people with commercial insurance.

*New England Journal of Medicine
Equity and Obesity Treatment — Expanding Medicaid-Covered Interventions
Hannah Stoops, M.D., M.P.H., and Mohammad Dar, M.D.*



Pathways to Change



Today

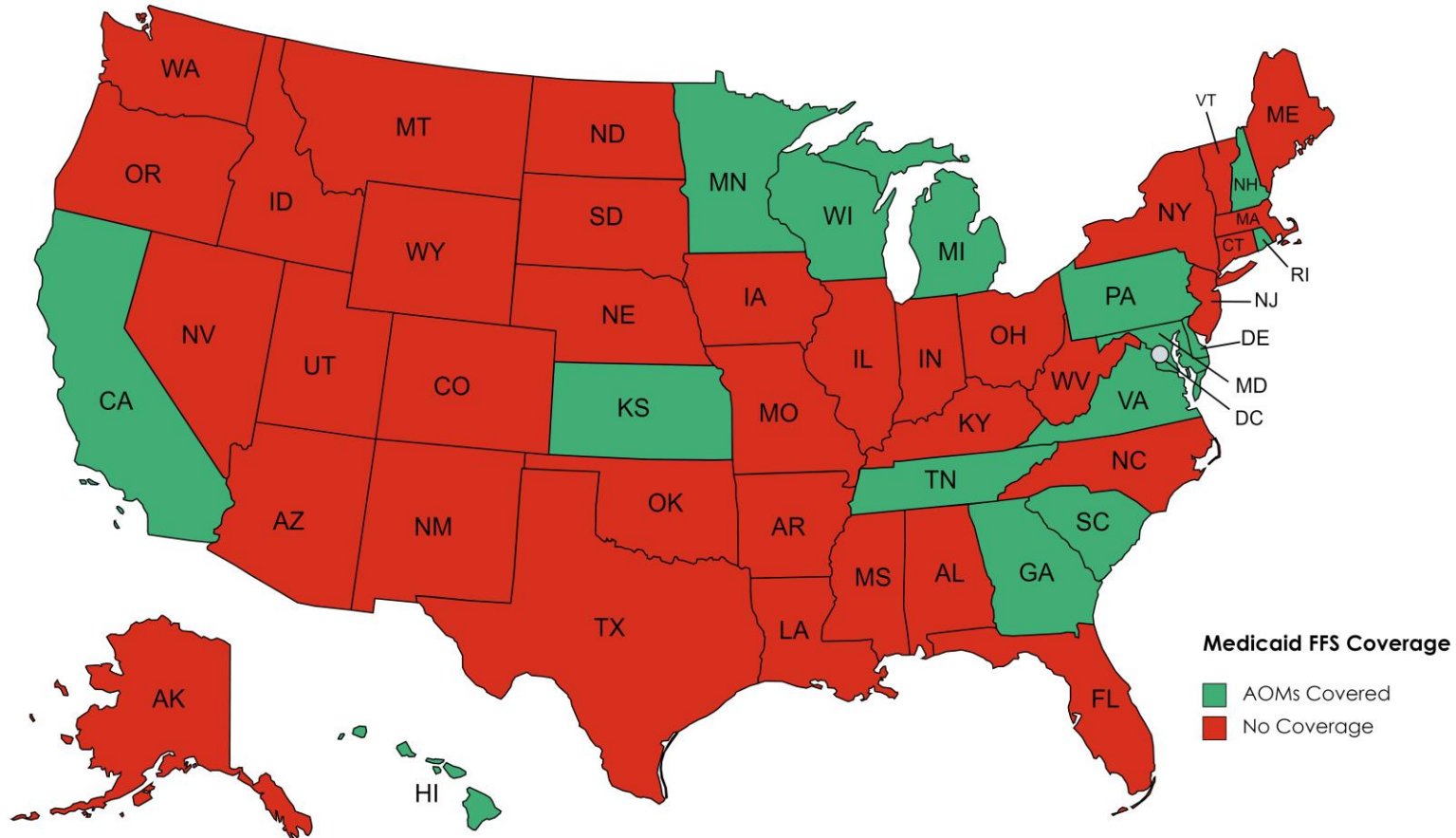
- **Medicaid agencies are required to cover nearly all medications approved by the Food and Drug Administration (FDA)** - but antiobesity medications have been expressly excluded from this requirement, and coverage remains optional and sporadic.
- **A similar dynamic exists for such medications in the Medicare Part D program.** Many state Medicaid agencies have retained this coverage gap by refraining from defining obesity as a medical condition, despite the American Medical Association recognizing obesity as a complex chronic disease since 2013.
- **Some states specifically exclude coverage for obesity treatments in their Medicaid programs** - This exclusion of comprehensive lifestyle interventions and adjunct antiobesity medications undermines opportunities for addressing inequities associated with obesity and obesity-related morbidity for the Medicaid-covered population, particularly for members of marginalized racial and ethnic groups that are disproportionately affected by obesity and related health conditions and have high rates of Medicaid coverage.



Cost Factors for Consideration:

- Percent of the Medicaid population who have obesity
- Cost of AOMs (class average)
- Estimated utilization (average estimate in the overall market is estimated at 2%)
- Consider and account for drug rebates (e.g. statutory, and federal matching)

Medicaid FFM Obesity Medication Coverage – as of January 1, 2023



1115 Waivers and SDOH/HRSN

- Obesity treatment = continuum of care
- Social determinants include where you live and what you eat
- New CMS framework on 1115 and SDOH
- States should engage with CMS early





Questions

randy@randolphpateadvisors.com