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Board of Trustees
North Carolina State Health Plan

Dear Members of the Board of Trustees,

The Obesity Action Coalition (OAC) is pleased to provide the following comments regarding the North Carolina State Health Plan's (NCSHP) proposals to limit or exclude state employee access to FDA-approved anti-obesity medications (AOMs) – specifically GLP-1 medications.

The OAC is the leading national non-profit dedicated to serving people living with obesity through awareness, support, education, and advocacy. Our vision is to create a society where all individuals are treated with respect and without discrimination or bias regardless of their size or weight. We strive for those affected by the disease of obesity to have the right to access safe and effective treatment options. And we educate all individuals to understand that when it comes to health, weight matters. OAC has a strong and growing membership of over 80,000 individuals living with obesity, across the United States and 3,157 members in North Carolina.

State employees in NC have benefited from AOMs and GLP-1s specifically since 2015 and we applaud the state for being forward thinking in their coverage approach. However, OAC is deeply troubled that NCSHP is evaluating coverage policy changes for GLP-1 medications for obesity that would discriminate against plan beneficiaries seeking access to life changing and lifesaving treatments based solely on cost. In addition, we are concerned with some of the aspects of the presentation that the plan is presenting to the Board of Trustees as we believe some of the points are misleading.

Obesity is a Chronic Disease

Obesity is a serious chronic disease that requires treatment and management just like diabetes, cancer, or high blood pressure. Obesity has been recognized as a disease by major medical organizations such as the American Medical Association, American Academy of Family Physicians, American Association of Clinical Endocrinologists, American Heart Association, National Institutes of Health, and the World Health Organization. Obesity is driven by strong biology, not by choice.

Patients are Entitled to Care

AMA's recognition of obesity as a disease in 2013 was the catalyst behind numerous other organizations declaring support for patient access to comprehensive obesity care, such as the National Council of Insurance Legislators, National Lieutenant Governors Association, National Hispanic Caucus of State Legislators, National Black Caucus of State Legislators, Veterans Administration, the Department of Defense, and the Federal Employees Health Benefits Program.

The Double Standard for Obesity Care

Despite the broad acceptance of obesity as a chronic disease and the recognition that patients deserve access to care, many policymakers continue to apply a double standard when evaluating coverage of obesity care – especially in the areas of utilization, cost and return-on-investment (ROI).

Utilization

We know that obesity rates continue to rise with more than 42 percent of Americans affected by obesity nationwide – including more than 34 percent of North Carolinians who currently struggle with this complex and chronic disease. Too often though, policymakers will extrapolate these rates into utilization figures for calculating potential costs should everyone affected suddenly seek care and

access to treatment. While we wish this were the case, only a small fraction of individuals with obesity actively seeks out treatment. Policymakers must refrain from using unrealistic utilization projections to dissuade decision makers from providing coverage.

Cost

Once utilization projections are set astronomically high, policymakers will often marry these numbers with the industry-posted list price for these GLP-1 medications as opposed to the net cost that the plan pays after rebates. A recent study by the American Enterprise Institute, entitled “Estimating the Cost of New Treatments for Diabetes and Obesity” found that, on average, the net price for one month of Ozempic is \$290 and \$701 for Wegovy as opposed to the list prices for these drugs of \$936 and \$1349, respectively.¹

Return on Investment

As a nation, we must stop evaluating coverage of obesity care through a return-on-investment lens. What other chronic disease state is judged along these cost/benefit parameters? Would we be looking at ROI studies if we were talking about treating childhood cancer or rheumatoid arthritis? The goal of healthcare is not to save money, but improve the health and well-being of people.

First, Do No Harm

OAC understands the Board’s frustration with the cost of GLP-1s indicated for chronic weight management versus those indicated for diabetes. We agree that the cost of anti-obesity medications are too high. We believe the Board must take a measured approach toward its coverage policy for AOMs. For example, the Board could vote to adopt an approach similar to that taken by the Connecticut state employee health plan, which only covers GLP-1s (Semaglutide) if prescribed by a specific program that provides anti-obesity specialists, and an online app to help the members manage their weight loss and lifestyle interventions. NCSHP could also look to the VA MOVE! program or Federal Employee Health Benefit (FEHB) plans that provide coverage for comprehensive obesity care, including GLP-1s, with various utilization management approaches. Thus, there are various programs and approaches to evaluate for cost containment making sweeping changes to the current benefits.

Finally, at minimum, we strongly encourage the Board to maintain patient access to these GLP-1 medications for those state employees who are currently taking them for chronic weight management. Eliminating coverage would be harmful and disruptive to patient care, health and well-being. There is precedent for this approach in the state of Connecticut.

As a voice for people living with obesity, OAC would like to be a partner with NCSHP during this process. We would be happy to meet and share further information and perspectives of people living with obesity. Please reach out to our Policy Advisor, Chris Gallagher at chris@potomaccurrents.com. Thank you.

Sincerely,

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Joseph Nadglowski, Jr.
OAC President and CEO

¹ American Enterprise Institute. Estimating the Costs for New Treatment for Diabetes and Obesity. <https://www.aei.org/wp-content/uploads/2023/09/Estimating-the-Cost-of-New-Treatments-for-Diabetes-and-Obesity.pdf?x91208>