



UNDERSTANDING ANTI-OBESITY MEDICATIONS AND GLP-1s

2025 EMPLOYER GUIDE



In today's workplace Health & Benefits, and wellness climate, CFO's, CEO's, and Human Resources professionals are increasingly confronted with decisions about health benefits that meet the diverse needs of their employees. As surging interest in novel weight-loss medications is primed to tip healthcare costs for U.S. employers in 2024 and beyond, one such consideration is whether or not to add coverage of glucagon-like peptide 1 (GLP-1) agonists for weight loss to the company's benefits package.

To explore this further, let's first define GLP-1s and explore why employees want weight-loss medications covered by their employer's health plan, then review the considerations employers should be aware of before deciding.

WHAT ARE GLP-1s? AND HOW ARE THEY USED FOR WEIGHT LOSS?

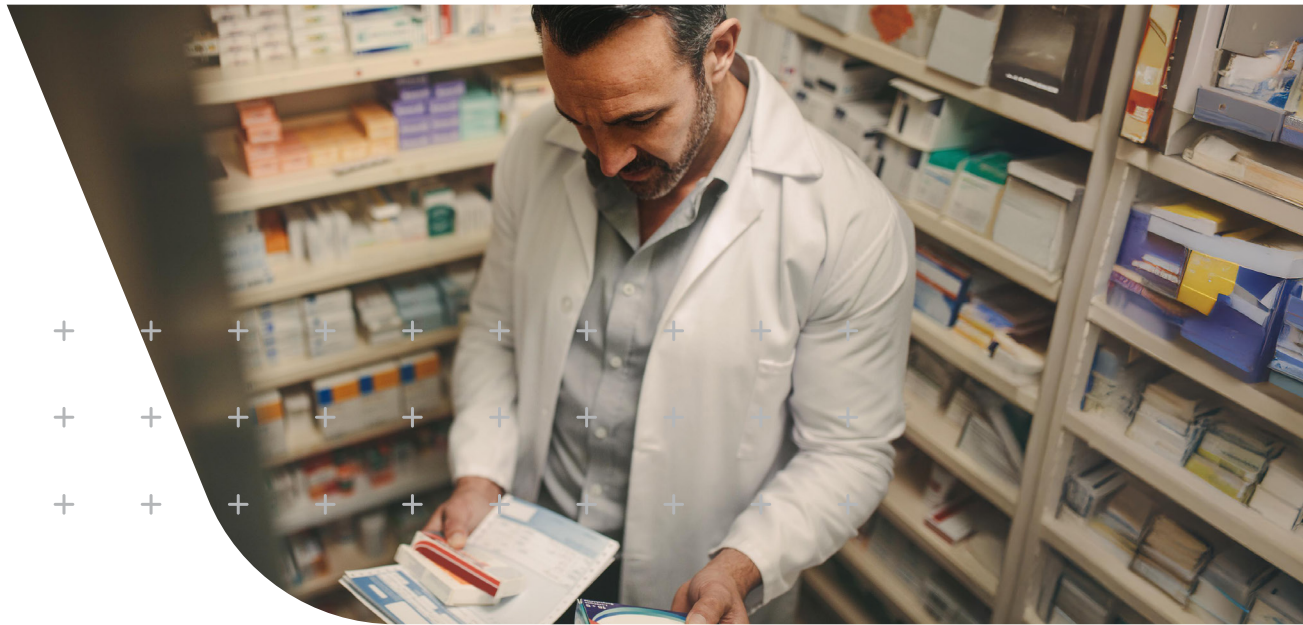
For many years, "weight loss" focused on the "calories in vs. calories-out". Generally, there was amphetamine-based drugs that helped people lose weight by burning calories, but they also came with a host of side effects.

GLP-1s and **semaglutides** (the active ingredient in many of the common brand name weight loss medications) take a different approach. These drugs focus on the "calories-in" half of the equation. Semaglutide injections control appetite at the neurological level by regulating blood sugar and delaying gastric emptying – they help you keep more food in your stomach longer, so you feel full longer.

While GLP-1 drugs have historically been **prescribed to treat type 2 diabetes**, certain drugs have gained attention for their significant weight loss benefits, even though not all GLP-1s are approved specifically for weight loss at the time of writing.

Common brand names for Semaglutide include **Ozempic**, **Rybelsus**, and **Wegovy**. Ozempic's primary use is for type 2 diabetes to improve blood sugar levels in adults and to also lower the risk of major cardiovascular events like stroke, heart attack, or death for adults with type 2 diabetes with heart disease. Whereas Rybelsus is used for adults with type 2 diabetes to control blood sugar levels, and has been shown to help weight loss, but is NOT an FDA approved weight loss medicine. Lastly, Wegovy is used for weight loss and to lower the risk of heart attack, stroke, and cardiovascular death in specific people. These drugs fall in the Incretin Mimetics class of drugs which are agents that act like incretin hormones (such as GLP-1), bind to those receptors and stimulate glucose dependent insulin release and therefore act as anti-hyperglycemics, suppress appetite, and inhibit glucagon secretion to slow gastric emptying.





There are a number of additional **GLP-1 agonists** including Saxenda, Trulicity, Mounjaro, Zepbound to name a few which have been seen to assist in weight loss but may or may not be approved for such treatment.

All of the above is leading to GLP-1 medications, which are intended for long-term use, being used for short-term weight loss and **drug misuse is extensive**. People are scrambling to get their hands on semaglutides to lose those pesky ten pounds before their vacation, wedding, or other event, which can create a host of problems, including:

- + Prescription prices skyrocketing
- + Significant health concerns for those misusing the drugs

Furthermore, studies are showing that many Americans do not use weight loss drugs long enough to see meaningful weight loss, further increasing costs with little return on **value**.

When it comes to weight loss, the focus tends to be on the number on the scale rather than body composition, but losing weight does not mean somebody is getting healthier. An important question for anybody taking or thinking about taking GLP-1s for weight loss is, "Where is that weight coming from?"

Studies have shown that people taking GLP-1s for weight loss can experience a **significant amount of weight loss from muscle tissue (a condition known as Sarcopenic Obesity)**, as well as reduced bone density and a lower resting metabolic rate. However, with proper lifestyle changes, Sarcopenic Obesity can be prevented. It's important for individuals that are taking these GLP-1 medications to not only change their diet, but lifestyle as well.

Further, as we write more and more evidence is rising to the surface on the effects of these obesity drugs and the comorbidities that it can treat in conjunction with obesity. In a recent article in the NY Times, doctors are now testing the limits of these drugs when used as an **"Obesity First" medication**, and as a result many comorbidities of obesity are "vanishing" as well. "There is reason to believe that the drugs' effects on medical problems other than obesity may be independent of weight loss." As of this writing, the **FDA has approved** Zepbound (tirzepatide) for the treatment of moderate to severe obstructive sleep apnea (OSA) in adults with obesity, bringing further argument that these medications can be used for conditions that may be exacerbated by obesity.

WHY EMPLOYEES WANT WEIGHT LOSS MEDICATIONS COVERED BY THEIR EMPLOYERS

The interest among employees in having weight loss medications covered by their employer's health plan can be attributed to several factors:

- + **Efficacy and Safety:** GLP-1s have shown substantial efficacy in clinical trials and provide the feeling of a medically supervised approach to weight loss that many find appealing.
- + **Health Improvements:** Beyond weight loss, these medications have been linked to improvements in various health markers, including blood sugar levels, blood pressure, and cholesterol.
- + **Mental Health and Quality of Life:** Struggles with weight management can affect mental health and overall quality of life. Access to effective treatments can provide hope and support to those affected.
- + **Economic Factors:** The high cost of these medications can make them inaccessible to many without insurance coverage, leading to increased interest in employer-provided benefits.

GLP-1s have emerged as a promising option for those seeking weight loss medications, but these injections don't come without their share of considerations. Serious concerns loom regarding their long-term safety, as well as the potential for weight regain once treatment stops, and the array of side effects they may induce.

Ultimately, pharmaceutical interventions alone aren't enough for successful weight loss. Holistic lifestyle adjustments, with emphasis on exercise, dietary modifications, and behavioral changes in one's daily routine, will likely play a pivotal role especially while taking a GLP-1 drug for weight loss.

CONSIDERATIONS FOR EMPLOYERS

Before adding GLP-1s and anti-obesity medications to your company's benefits package, employers and HR Leaders should carefully consider the following:

- + **Efficacy for Weight Loss vs. Diabetes Management:** While some GLP-1s are approved for weight loss, others are primarily for diabetes management but have weight loss as a side effect. Employers should review the specific approvals and recommendations for these drugs.
- + **Cost-Benefit Analysis:** Employers need to evaluate the cost implications of adding these medications to their health plans. This includes considering whether the reduction in obesity-related health issues could offset the cost of the medications in the long run.
- + **Medical Supervision Requirements:** Successful weight loss with GLP-1s often requires comprehensive medical supervision and lifestyle changes. Employers should consider how to support these broader health management efforts.
- + **Equity and Accessibility:** Ensuring that benefits policies do not inadvertently create disparities in access to care is crucial. Employers should strive for equity in the health benefits they offer.
- + **Regulatory and Legal Considerations:** The inclusion of these medications in health benefits must comply with healthcare regulations and insurance laws, which may vary by location.

While employers care about higher employee satisfaction, a significant unknown in this discussion is how long people will need to stay on the drugs for long-term effectiveness and if going off the drugs will result in gaining the weight back or other side effects we don't yet know, especially if there are no changes in lifestyle.



THE COST OF ANTI-OBESITY MEDICATIONS FOR EMPLOYERS AND EMPLOYEES

The growing use of GLP-1 receptor agonists has resulted in increased medical costs for employers via employer-sponsored health insurance plans. The cost of these drugs, when used for weight loss, typically exceeds \$1,000 per month without insurance. The typical annual cost for offering **GLP-1 drugs for obesity is \$18,000 per employee**. If your business has a roster of 56 employees on its payroll, and 10% of those 56 people are availing themselves of this benefit, you're suddenly paying \$90,000 annually to cover anti-obesity medications, in addition to the already known costs of your benefit program.

For employees wishing to have weight loss medications covered by their employer, it's important to note that employers may choose to pass on these expenses through adjustments in their medical plans, including higher deductibles, co-pays, and out-of-pocket maximums.

In addition to the high cost of adding GLP-1s for weight loss to your benefits package, there is the risk of the unknown. Specifically, society doesn't have data on the effectiveness of these diabetes treatments when used for weight loss over the long term or their potential side effects. Studies continue related to the effects of **stopping Semaglutide treatments** showing potential weight gains of up to 2/3rds of weight lost returning.

CONCLUSION

Including coverage for anti-obesity medications in your company's benefits package requires careful consideration of medical, economic, and ethical factors. By understanding the nature of these medications, the reasons behind employee interest, and the implications for their health plan, HR professionals can make informed decisions that align with their organization's values and the well-being of their employees.

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IMA WHOLE HEALTH CAN HELP

The decision to integrate GLP-1s into one's health plan warrants careful consideration. These medications come with a hefty price tag and demand ongoing commitment. Before these drugs become covered by an employer-sponsored medical plan, it may be prudent to require certain prerequisites such as documented exercise regimens, prior weight loss attempts, or exploration of alternative treatments. This is a sensitive topic and there is a lot to consider. Thankfully, there are resources to help.

If you are interested in exploring such options, consider looking into a Whole Health Program for your business. The **IMA Whole Health** strategy helps clients who want to take a holistic approach to managing mental, physical, social, and financial health but are unsure where to start. The strategy was created to help employers develop health strategies, benefits, and education custom-tailored to their organization.

