Weight Loss Medications Without a Holistic Approach Invites Discontinuation and Lost Investment for Employers

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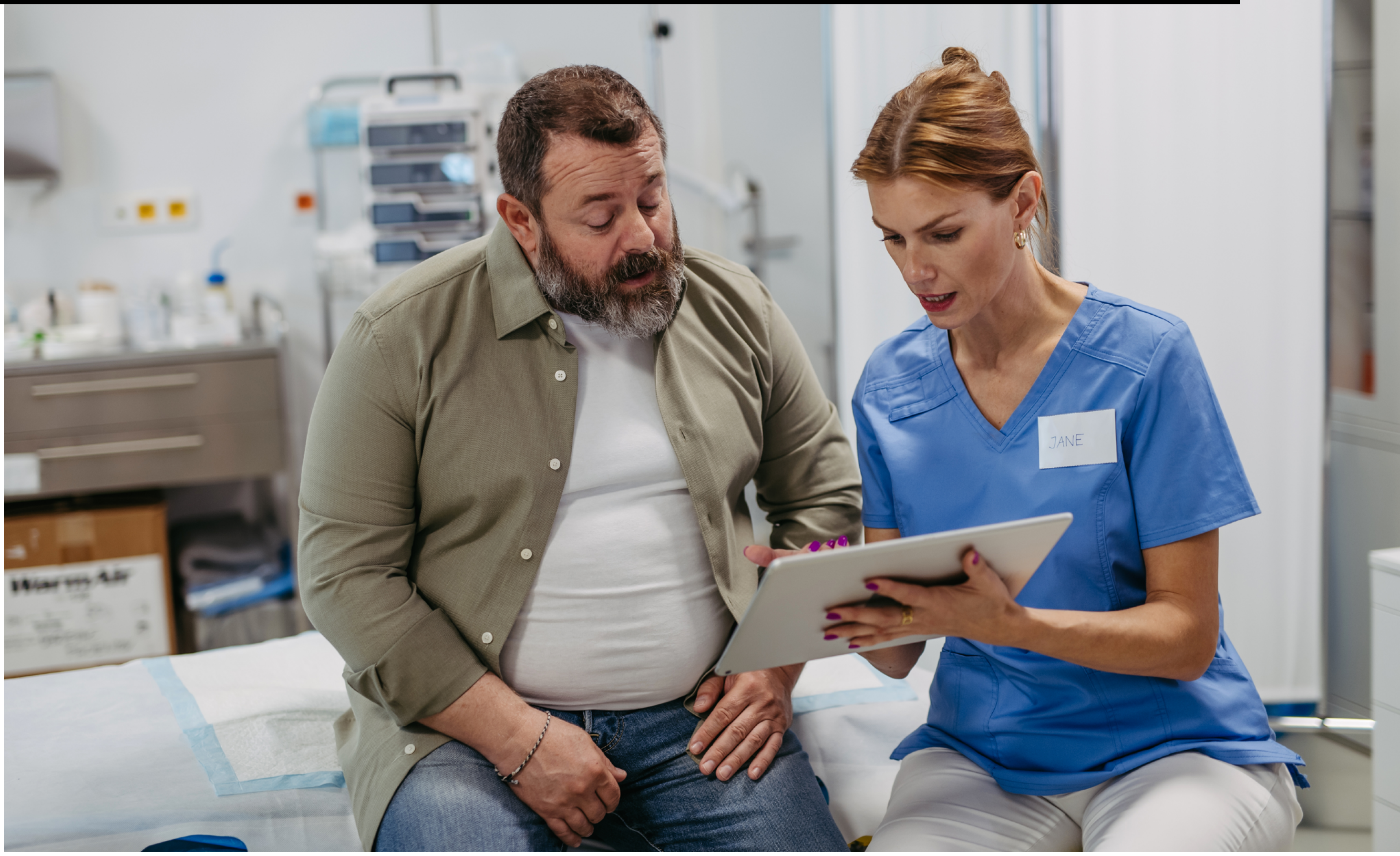
Early discontinuation of medications happens for various reasons – and for the increasingly popular GLP-1 medications, they include supply chain issues, cost and intolerable side effects ranging from nausea and diarrhea to more severe complications like gastroparesis (stomach paralysis), among others.

The medications, broadly referred to as "GLP-1 agonists," are used to treat type 2 diabetes or as a co-therapy with diet and exercise for sustained weight loss in people who are overweight or struggling with obesity. Known under their brand names of Wegovy®, Saxenda® and Zepbound™, demand for the medications continue to rise.



What are we seeing?

GROWING EVIDENCE INDICATES ROUGHLY TWO-THIRDS OF PATIENTS DISCONTINUE THESE EXPENSIVE MEDICATIONS WITHIN ONE YEAR, and with approximately 75 percent of the total addressable market (TAM) for the GLP-1 pipeline existing within the commercially insured space, this should signal to employers to plan ahead.

GLP-1 medications can cost as much as $1,200 per month, and discontinuing treatment can mean lost investment for employers and regained weight for employees. Drug manufacturers' own FDA-approved package insert shows that discontinuing treatment will result in a rapid return of the weight.

Employers that already opted to cover the medications saw them quickly rise to their top-five most expensive health plan costs within 90 days of initiating coverage, according to internal Lockton data.

J.P. Morgan Research predicts the GLP-1 market will exceed $100 billion by 2030, with roughly 30 million users in the U.S. alone. As more indication approvals happen, coupled with mounting pressure from clinicians and advocacy groups, employer health plan coverage of weight loss medications, for at least some indications, will soon become standard.

With almost 50 percent of working-age Americans being obese, the calculus of employers that opted in early on these medications was understandable. They promised a smooth and rapid path to a healthier employee population with fewer chronic conditions, and a reduced healthcare spend.

However, evidence to the contrary, including our own, continues to mount.

CONSIDER THESE FINDINGS:

- In 2020, Merck published a study that concluded, **"over half of (type 2 diabetes) patients initiating GLP-1 (drugs) were non-adherent, and the majority (70.1%) discontinued therapy by 24 months…"** While not specifically related to GLP-1s launched later, the conclusions proved startlingly prophetic.
- A Prime Therapeutics study released in July 2023 found that **"…Wegovy or Saxenda treatment persistency was poor, with only one-third on therapy at one year. Among [Wegovy or Saxenda]-adherent individuals, the increase in costs was even higher, double the prior year…"**
- In November 2023, our Data Science team reviewed a subset of our nationwide client database of combined pharmacy and medical claims and found that: **Nearly two-thirds of claimants were observed to stop taking [Wegovy or Saxenda] before 12 months. Those who used the drugs longer were observed to drive more inflation and experience more frequent side effects.**

DIVE DEEPER. Hear from our experts on the balancing act of weight loss medications and the fight against obesity at work.

CLEARLY, GLP-1S HAVE TRANSCENDED FAD. Manufacturers are winning expanded uses of the medications from the FDA, which recently granted Wegovy approval as a treatment to reduce subsequent cardiovascular risk among adults without diabetes who are overweight and who previously suffered a major cardiovascular event, including heart attack and stroke. It was the first approval of its kind.

What's next?

Employers not currently covering GLP-1s beyond diabetes treatment should be planning now to ensure responsible utilization and cost-effectiveness when broader coverage is required.

Considerations to prepare for weight loss coverage

- **Implement a fully integrated utilization management and lifestyle intervention program** to ensure appropriate medication use and successful, sustained weight loss for the employees who will benefit most.
- **Engage your PBM to learn what options are available** to medically manage the medications. Also, ask your PBM to provide the percentage of patients still using the medications after a year. This insight will signal if it's time for a course correction on coverage.
- **Be wary of vendors touting behavioral and/or dietary modification tactics** that lead to de-prescribing as their big differentiator as these medications are intended for ongoing use to maintain weight loss benefits. To our knowledge, there are no long-term studies – beyond two years – specific to these medications that support de-prescribing as a broad-brush approach to weight management.
- As these products gain additional indications, they may cease to be considered for weight loss only and may merit coverage consideration as their potential list of FDA-approved treatments grows.

Healthy weight loss is a journey, not a destination. These medications are neither a primary nor a solitary therapy. Lifestyle intervention programs are critical to successful adherence. One without the other will invariably lead to more discontinuation, and lost investment for employers.

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