

A budgetary impact analysis of Medicare coverage for obesity care

The situation



The disease of obesity impacts loved ones | health care the economy | people national security

More than **50** disorders are linked to obesity.¹

\$ 1.42 TRILLION A YEAR

is spent in the US on direct and indirect costs for health conditions related to obesity.²



Nearly **one in three** Medicare beneficiaries is affected by obesity.³

Lifestyle, counseling, and medical interventions including pharmacotherapy and surgery are essential to comprehensive obesity care.

Under current law, **Medicare is NOT AUTHORIZED** to provide some evidence-based obesity care.

An outdated law prohibits Medicare coverage for "weight loss" drugs. There are now multiple safe and effective FDA-approved obesity medications and while lifestyle and counseling services are available for Medicare beneficiaries, there are too few providers to deliver the service.

LESS THAN 1% OF MEDICARE BENEFICIARIES with obesity are able to access obesity care.⁴

Obesity budget analysis

A study was conducted to assess the financial impact of Medicare coverage for excluded evidence based obesity care, including lifestyle modification and counseling, as well as FDA-approved medications that treat obesity.

The analysis used a microsimulation model to predict budget impact throughout 10 years.

Key findings

Overall improvement in health conditions from covered obesity treatments would lead to **lower expenditures in:**



Emergency room care



Ambulatory care



Inpatient stays



Prescriptions

Resulting in net savings between **\$6,700 - \$7,100 over 10 years per person.**⁴



The biggest savings are seen in **reduction of ambulatory care** (Part B) and **prescription drug utilization** (Part D).



However, even with increased use of covered obesity treatments (67.4%), **the evidence shows, less than 8% of all Medicare beneficiaries would receive some form of obesity treatment.**⁴

The study found that providing obesity care may improve health and may decrease the need for medication to treat obesity-related diseases.

The analysis suggests that the more Medicare beneficiaries use evidence-based obesity care services, the more Medicare saves.

Utilization of obesity treatments will generate Medicare budget savings



Support for the Treat and Reduce Obesity Act

It's time for
ACTION
Be a part of the solution
to improve obesity care

Support the Treat and Reduce Obesity Act to improve access to evidence-based tools for chronic weight management. Passing the Treat and Reduce Obesity Act of 2017, S.830 and H.R.1953, will provide Medicare beneficiaries and their health care providers with meaningful tools to treat obesity by improving access to weight management counselling and allowing for coverage of FDA-approved therapeutics for chronic weight management.

Support the **Treat and Reduce Obesity Act of 2017** today

(S.830 and H.R.1953) ObesityCareAdvocacyNetwork.com



1. The Obesity Society 2. Academy of Nutrition and Dietetics 3. Endocrine Society 4. Obesity Medicine Association 5. Obesity Action Coalition 6. American Association of Clinical Endocrinologists 7. American Society for Metabolic and Bariatric Surgery 8. Novo Nordisk, Inc. 9. Healthcare Leadership Council 10. American Council on Exercise 11. Weight Watchers 12. AAPA 13. American Association of Nurse Practitioners 14. AMGA 15. Black Women's Health Imperative 16. American Gastroenterological Association 17. YMCA of the USA 18. National Alliance for Healthcare Purchaser Coalitions 19. SECA 20. Eisai