

Testimony on

Coverage of Anti-Obesity Drugs as a Compensable Service in the Medical Assistance Program

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Good morning Chairman Baker, Chairman Fabrizio, members of the committee, and staff. I am pleased to be here today to provide testimony on the topic of coverage of anti-obesity drugs in the Medical Assistance (MA) program. I am Terri Cathers. I hold a doctor of pharmacy degree and I am a Registered Pharmacist in Pennsylvania. I serve as the Director of Pharmacy Programs for the Department of Human Services, in the Office of Medical Assistance Programs.

Today, I will share with you information about the department's rationale for not covering anti-obesity drugs as a compensable service in the MA program. I will also describe the scope of compensable services that the department covers for beneficiaries who meet the Centers for Disease Control and Prevention (CDC) definition of overweight or obese, including those with other medical conditions.

The department recognizes the prevalence of obesity and the accompanying serious morbidity and mortality risks associated with obesity, and provides coverage of outpatient services and specific surgical procedures related to treatment for this disease. In Pennsylvania, the MA program provides coverage of a very broad array of drugs, including brand name drugs, generic drugs, and over-the-counter (OTC) drugs. However, the scope of covered drugs does not include drugs used to treat obesity or weight gain. These drugs fall within a unique list of drugs that federal law and regulation permit a state Medicaid program to restrict from coverage. The department historically chose to exclude weight loss drugs from coverage because they raise serious concerns about patient health and safety, place in treatment, efficacy in terms of long-term outcomes, and to some degree, cost effectiveness, as supported by current, peer-reviewed medical literature.

The department's concerns related to patient health and safety focus on the side effects of the weight loss drugs prescribed to control obesity. The potential side effects range from nausea,

diarrhea, fecal urgency, dizziness, fatigue, metallic taste, agitation, skin numbness, tingling or itching, and insomnia, to impaired cognition and low blood sugar, all of which pose significant challenges to a patient's willingness to comply with treatment on an ongoing basis. Some even carry a warning to avoid use in patients with heart disease, gallbladder disease, uncontrolled hypertension, and seizure disorders.

The department recognizes that some health care professionals may prescribe drug therapy for patients who meet the CDC definition of overweight or obese, after a careful evaluation of risks and benefits to those patients. However, those health care professionals typically prescribe drug therapy as an adjunct to the treatment regimen for obesity, and not as the first line of therapy. Current medical literature consistently supports lifestyle changes as the first line of therapy and calls into question the efficacy of drug therapy in terms of long-term outcomes. According to a literature review that is current through April 2017 by *UpToDate*, an evidence-based clinical decision support resource that health care professionals rely on to make decisions at the point of care, "The initial management of individuals who would benefit from weight loss is a comprehensive lifestyle intervention: a combination of diet, exercise, and behavioral modification." *UpToDate* also states that "Along with diet, exercise, and behavior modification, drug therapy may be a helpful component of treatment for patients who are overweight or obese. The role of drug therapy has been questioned, however, because of concerns about efficacy, safety, and the observation that body weight slows and then plateaus with continued treatment, and most patients regain weight when their weight-loss drugs are stopped." Consistent with current, peer-reviewed medical literature that identifies behavior modification or behavior therapy as the gold standard in the treatment for obesity, the department provides coverage of outpatient services designed to support beneficiaries who are committed to

controlling obesity and weight-related conditions. Covered services include nutritional counseling and a comprehensive scope of behavioral health services that include counseling and therapy. Bariatric surgery is also covered for persons with extreme or severe obesity when medically necessary and the benefits outweigh the risks and side effects of the procedure.

Finally, looking at the weight loss of patients in clinical trials of these medications and the lack of proof that weight loss medications improve long-term outcomes, combined with the cost, raises questions about the cost effectiveness of coverage of these medications. For example, the weight loss for a participant in the clinical trial of one of these medications versus placebo was eight (8) pounds in one (1) year, at a cost of \$200 per month. The department questions whether spending \$2,400 a year for a patient to lose eight (8) pounds, which the patient may likely regain after stopping the medication, is a prudent and cost-efficient use of public funds. The department maintains that providing services like nutritional counseling and behavioral counseling and therapy is both clinically effective and cost efficient. These covered services are consistent with the medically accepted first line of therapy as documented in peer-reviewed medical literature. They provide the education and support for lifestyle modifications that can enhance the potential for success in achieving and maintaining weight loss goals, reduce the long-term risks for morbidity and mortality associated with being overweight or obese, and reduce the long-term costs associated with those risks.

The department is not alone in its rationale for not providing coverage of drugs to manage obesity. The Massachusetts Medicaid Director of Pharmacy recently shared the results of an informal e-mail survey of all state Medicaid programs nationwide, asking the question “Does your Fee-For-Service Medicaid program provide coverage for obesity management drugs?” Of the 35 states that responded, four states indicated that they provide coverage but

require prior authorization; 31 states, including Pennsylvania, do not provide coverage of obesity management drugs. Medicare Part D also has a provision for restriction of certain drugs, similar to Medicaid. Medicare drug plans aren't required to cover drugs used for weight loss, but a plan may choose to cover them.

The department recognizes that achieving and maintaining weight loss goals is difficult. While some claim that drug therapy with anti-obesity drugs may be a helpful component of treatment for patients who fail to achieve weight loss goals through diet and exercise alone, the fact remains that these drugs do not cure obesity and they pose concerns about efficacy, safety, and long-term outcomes. Lifestyle interventions that include diet, exercise, and behavioral modification remain the clinically accepted first line of treatment. The department chose to exclude weight loss drugs from coverage and instead provides nutritional counseling and behavior health services that are consistent with what is considered the gold standard of care. These services are medically-accepted treatment and provide support that enhances the potential for positive long-term outcomes, without risk to the health and safety of our beneficiaries.

Thank you for the opportunity to provide this testimony on behalf of the department. I welcome any questions the committee may have at this time.