Nina Crowley, PhD, RDN
Director of Clinical Education and Partnerships
seca Body Composition Analysis Division

Background

Under current law, Medicare's prescription drug benefit (Part D) excludes "agents when used for anorexia, weight loss, or weight gain". This exclusion has prevented Medicare from covering obesity medications and has allowed Medicaid plans to opt out of providing such coverage.

For more than a decade, the OAC has pursued both legislative and regulatory pathways to expand access to comprehensive obesity care. Advocates have urged Congress to address this exclusion by passing the Treat and Reduce Obesity Act (TROA). Simultaneously, discussions have taken place with the Centers for Medicare and Medicaid Services (CMS) and various Administrations about a regulatory solution to provide coverage for obesity medications.

New Regulatory Action

On November 26th, the White House announced a **Proposed Rule** to expand coverage for obesity medications under Medicare and Medicaid.

Highlights of the Proposed Rule:

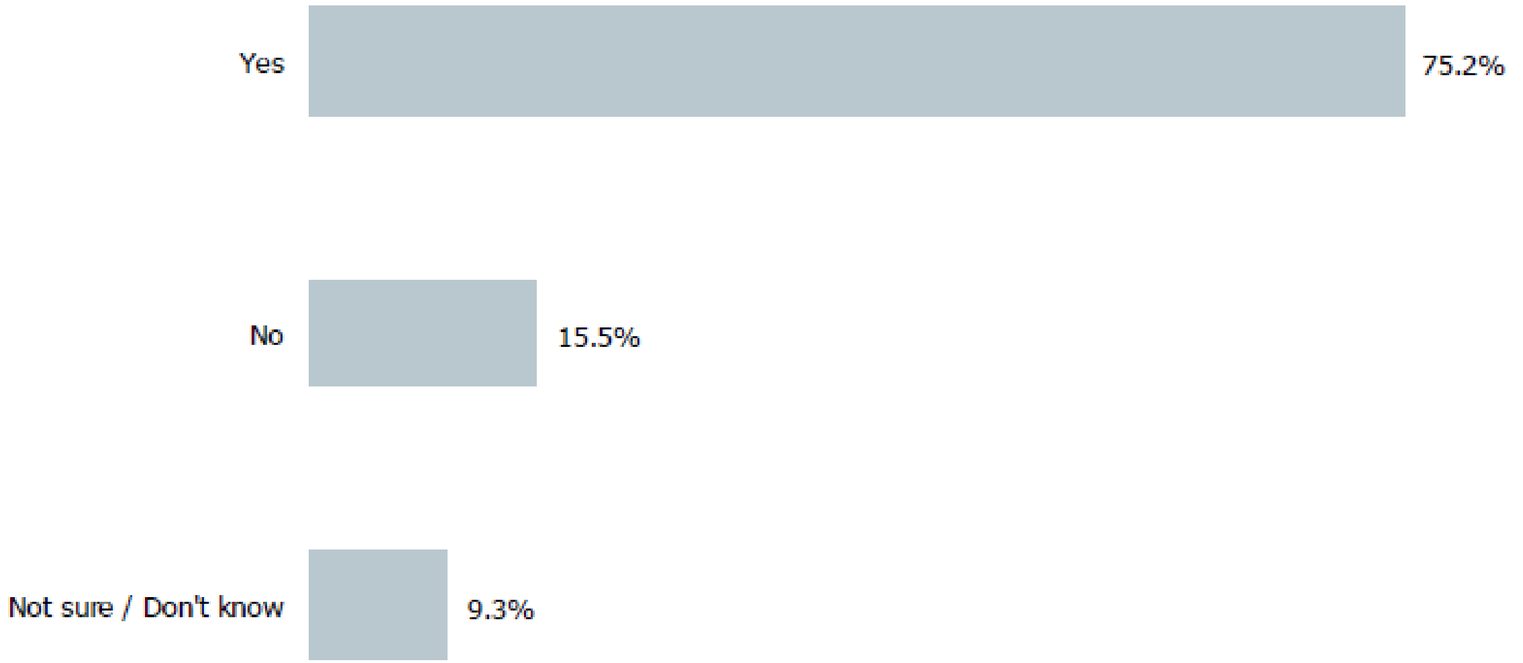
- **Reinterpreting Exclusionary Language:** The rule proposes that medications used for weight loss or chronic weight management for treating obesity will be covered in Medicare Part D and state Medicaid programs.

- **Flexibility in Defining Obesity:** While the rule does not define obesity, it permits Part D plans to establish criteria for prior authorization. However, these criteria cannot be more restrictive than the prescribing indication criteria.

- **Recognition of Obesity as a Chronic Disease:** The rule acknowledges obesity as a chronic condition, emphasizing that patients will require ongoing therapy for effective treatment and therefore patients will need ongoing therapy for proper treatment.

- **Coverage Timelines:** Medicare coverage for obesity medications would begin in January 2026. Medicaid coverage could start 60 days after the final rule is published but no later than January 2026.

75% of Americans believe that individuals with obesity should have access to effective medical treatments, just like those with other chronic conditions.



Q5 Do you believe that individuals with obesity should have access to effective medical treatments, just like those with other chronic conditions like diabetes or heart disease?

Responses by political affiliation:

- 74% Republicans
- 83% Democrats
- 72% Independents

Sen. Bill Cassidy's (R-LA) office is in discussions with the Trump administration to finalize coverage of anti-obesity medications after the Biden administration proposed a rule that would do so. Legislative movement on the Treat and Reduce Obesity Act (TROA) is paused until the decision is made, but the chances of the introduced version of TROA passing without the CMS rule proceeding remains slim.

At play is a proposed CMS rule from the Biden administration that reinterprets status to allow coverage of anti-obesity medications (AOMs) for those with obesity, considering it a chronic disease treatment under Medicare and Medicaid. The introduced version of TROA would allow for coverage of weight-loss drugs under Medicare Part D, as statute currently excludes the medications from coverage. The bill would also expand Part B coverage of intensive behavioral therapy for obesity to more providers.

Meanwhile, an amended version of TROA that passed the House Ways & Means Committee last June is estimated to cost $1.7 billion and is largely bipartisan. It allows Medicare to cover obesity drugs for those who were already taking the medications and directs HHS to review the national coverage determination of intensive behavioral therapy for obesity.

Parker Reynolds, a health policy advisor for Cassidy, said Monday (March 3) at an Obesity Action Coalition event that consideration of TROA is paused until the Trump administration decides how to handle the proposed rule. If the rule is finalized, that is good news for TROA since the cost of the bill was a major barrier to passage with limited offsets available, and as the Trump administration and the majority in Congress are looking to save money.

"Until we saw the coverage rule come out of CMS, that was really going to be impossible to do full TROA," he said.

However, Reynolds said he was confident offsets for the slimmed-down version of TROA could have been found last Congress.

He said that CMS will need to finalize the rule to pass TROA since the cost of the drugs would be added to Medicare's baseline, driving down the cost of the bill to nearly zero. Passage of the bill would codify the coverage as well as expand Part B coverage of intensive behavioral therapy.

Reynolds noted that the CMS rule only does about 85% of what TROA does, as it leaves out the Part B coverage. How much that portion of the bill would cost remains to be seen but he said he hopes it would be a "manageable" number. He said the Part B side was submitted to the Congressional Budget Office (CBO) to estimate the cost, but CBO did not give it a score.

Cassidy's office is also looking for a Democrat to help lead on the bill.