Weekly Checkup



Updating Medicare to Address America's Growing Obesity Challenge

CHRISTOPHER HOLT | SEPTEMBER 17, 2021

This week the Centers for Disease Control and Prevention (CDC) <u>updated</u> its Adult Obesity Prevalence Maps to include data from 2020. The big takeaway is that "the number of states in which at least 35 percent of residents are obese has nearly doubled from 2018." Perhaps related, there has also been a push this week by patient advocates to update Medicare's coverage rules for obesity treatment.

According to the CDC, 16 states "have an adult obesity prevalence at or above 35 percent," up from 12 states with this level of obesity in 2019 and 9 in 2018. The CDC also found significant racial disparities in state obesity rates. While no state had an obesity rate of 35 percent or higher among its Asian population, 7 states reported this level of obesity among non-Hispanic Whites, 22 states among Hispanics of any race, and 35 states and the District of Columbia recorded an adult obesity rate of 35 percent or higher among African Americans. Nationwide, just over 42 percent of all adult Americans were considered obese as of 2018.

The CDC report notes that obesity is a risk factor for a host of medical conditions such as heart disease, stroke, diabetes, cancer, liver disease, and even mental illness. Obesity is also a major risk factor for complications from COVID-19. According to a different CDC study from earlier this year, nearly 51 percent of those who were hospitalized in the United States with COVID-19 between March and December of 2020 were classified as obese, while just over 28 percent were overweight. In other words, nearly 80 percent of severe COVID-19 cases over that period were in patients who were overweight or obese.

In addition to the cost of obesity in terms of personal health and wellbeing, there are also broader economic cost. According to the Obesity Care Advocacy Network, medical costs associated with obesity are estimated to be somewhere between \$147-\$210 billion annually. **Given that obesity is a leading factor in the prevalence of chronic disease, lowering obesity rates could be particularly beneficial to the Medicare program, where** 99 percent **of spending is directed to beneficiaries with at least one chronic disease.** While Medicare Part B covers some obesity behavioral therapy and bariatric surgery, the Part D program does not cover anti-obesity medications (AOMs). When the legislation establishing the prescription drug benefit was being drafted, Food and Drug Administration- (FDA) approved AOMs didn't exist. Given the prevalence of weight loss drugs of questionable effectiveness and safety at the time, and a reticence to cover purely cosmetic medical treatments, weight loss drugs were explicitly excluded from coverage. Today, however, there are a number of FDA-approved treatments that have been shown to be safe and effective. Nevertheless, the Centers for Medicare and Medicaid Services insists it does not have the statutory authority to authorize coverage of AOMs.

Bipartisan legislation has been introduced to update Medicare's coverage rules, but it has languished as other priorities have consumed the legislative oxygen. Advocates are trying to get the legislation included in the reconciliation bill, or perhaps an end-of-year package, but there is the outstanding question of how much the Congressional Budget Office (CBO) will determine the proposal costs. There is, however, some data that suggests that covering AOMs could actually save the government money by reducing the costs of chronic

disease. One study from earlier this year projected that covering AOMs could result in up to \$30.4 billion in savings for Medicare in the first 10 years, and as much as a \$235 billion savings over 75 years (along with substantial savings for Medicaid, and increased tax revenue from fewer work hours lost to absenteeism).

While the (CBO) jury is still out, it appears that updating Medicare's coverage rules for AOMs would make sense. There is bipartisan support, and addressing one of the leading causes of chronic disease in the United States can only bolster the Medicare program.

Tracking COVID-19 Cases and Vaccinations

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To track the progress in vaccinations, the Weekly Checkup will compile the most relevant statistics for the week, with the seven-day period ending on the Wednesday of each week.

Week Ending:	New COVID-19 Cases: 7-day Average	Newly Fully Vaccinated: 7-Day Average	Daily Deaths: 7-Day Average
15-Sep-21	146,182	255,690	1,447
8-Sep-21	137,783	305,881	1,233
1-Sep-21	158,895	374,282	1,399
25-Aug-21	153,747	353,942	1,260
18-Aug-21	142,750	305,582	1,026
11-Aug-21	123,674	243,499	775
4-Aug-21	100,587	215,599	530
28-Jul-21	70,839	208,701	369
21-Jul-21	45,082	227,643	277
14-Jul-21	29,414	248,591	234
7-Jul-21	16,613	244,313	195
30-Jun-21	13,926	324,148	234

23-Jun-21	11,967	409,893	253
16-Jun-21	12,361	631,092	293
9-Jun-21	15,311	736,033	357
2-Jun-21	15,000	527,715	389
26-May-21	22,266	827,838	445
19-May-21	27,909	1,071,427	520
12-May-21	34,876	1,283,708	557
5-May-21	45,477	1,482,084	587
28-Apr-21	52,025	1,517,294	619
21-Apr-21	61,013	1,536,983	632
14-Apr-21	68,637	1,792,166	640
7-Apr-21	64,587	1,616,952	621
31-Mar-21	64,411	1,400,390	702
24-Mar-21	57,294	985,881	737
17-Mar-21	53,669	1,042,401	860
10-Mar-21	54,215	973,785	1,121
3-Mar-21	61,018	932,584	1,357
24-Feb-21	64,932	857,998	1,727
17-Feb-21	73,548	755,448	1,911
10-Feb-21	100,647	713,946	2,358
3-Feb-21	129,501	492,999	2,725

27-Jan-21	159,889	341,488	3,174

Sources: Centers for Disease Control and Prevention Trends in COVID-19 Cases and Deaths in the US, and Trends in COVID-19 Vaccinations in the US.

Note: The U.S. population is 332,751,749.