

H.R. 4818, the Treat and Reduce Obesity Act

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Background:

- Obesity is a major risk factor for many diseases including diabetes, cardiovascular disease, and cancer. Obesity contributes greatly to poor health outcomes for many Americans, driving up their long term health care costs.
 - Roughly two out of three U.S. adults are overweight or obese.
 - o In 2020, **13.7 million** Medicare beneficiaries were overweight or obese.
 - By 2030 roughly half of all American men and women will be obese.
 - o In 1990, no state in the U.S. had an obesity rate higher than **15%**. In 2020, no state had an obesity rate lower than **24%**, and most have an obesity rate over **30%**.
 - Obesity rates are higher in rural America and among black and Hispanic adults compared to urban America and white adults.
- Obesity is a considerable drain on public health resources and increases out of pocket health care costs for individuals.
 - According to the Joint Economic Committee, obesity can drive up health care costs for an individual by an average of \$5,155 per person.
 - Obesity is projected to cost between \$8.2-\$9.1 trillion in excess medical expenditures over the next decade.
- Currently, Medicare Part D plans are statutorily prohibited from covering anti-obesity medications (AOMs) due to initial lack of scientific understanding two decades ago.
 However, new medications have been approved in the last decade to combat obesity, some with remarkable efficacy.
- Many patients are currently covered for successful AOM treatment plans will begin aging
 into Medicare and <u>be kicked off of their medication</u>, creating an urgency issue for Congress
 to address.

The Treat and Reduce Obesity Act:

- **Provides Medicare Part D coverage of AOMs** to individuals aging into Medicare who are currently being treated by an AOM, **ensuring they do not lose coverage** for their effective therapies.
 - Without this coverage, **1.25 million** patients are projected to lose coverage over the next decade as they transition into Medicare, driving up long term health costs.
- Requires Medicare to re-evaluate its coverage of "Intensive Behavioral Therapy" (IBT) so that seniors can be **effectively treated through diet and exercise**.
- Requires MedPAC to report on the coverage of AOMs in pre-Medicare markets and how use among those populations may affect usage by enrollees to lay the groundwork for expanded coverage to more individuals.