

New generation of weight loss medications offer promise—but at a price

October 20 2022, by Julie Appleby, Kaiser Health News



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Excitement is building about a new generation of drugs that tout the ability to help adults with excess weight shed more pounds than older drugs on the market.

Some patients, obesity medicine specialists say, are experiencing decreases in blood pressure, better-managed diabetes, less joint pain, and better sleep from these newfound treatments.

The newer drugs, which are repurposed diabetes drugs, "are showing weight loss unlike any other medications we've had in the past," said David Creel, a psychologist and registered dietitian in the Bariatric & Metabolic Institute at the Cleveland Clinic.

Yet for him and other experts, the thrill is tempered.

That's because no single drug is a magic solution by itself, and it's possible many patients will need to take the drugs long term to maintain results. On top of that, the newest treatments are often very costly and often not covered by insurance.

The five-figure annual costs of the new medications are also raising concern about access for patients and what widespread use could mean for the nation's overall health care tab.

Evaluating the trade-offs—weighing the value of better health and possibly fewer complications of obesity down the road against the upfront drug costs—will increasingly come into play as insurers, employers, government programs, and others who pay health care bills consider which treatments to cover.

"If you pay too much for a drug, everyone's health insurance goes up. Then people drop off health insurance because they can't afford it," so providing the drug might cause more harm to the system than not, said Dr. David Rind, chief medical officer for the Institute for Clinical and Economic Review, or ICER, a nonprofit group that reviews medical evidence to evaluate treatments for effectiveness and cost.

Many commercial insurers currently limit coverage to only some of the drugs currently available, or require patients to meet certain thresholds for coverage—often pegging it to a controversial measure called "[body mass index](#)," a ratio of height to weight. Medicare specifically bars coverage for obesity medications or drugs for "anorexia, weight loss or [weight gain](#)," although it pays for bariatric surgery. Coverage in other government programs varies. Legislation that would allow medication coverage in Medicare—the Treat and Reduce Obesity Act—has not made progress despite being reintroduced every congressional session since 2012.

As insurers view the cost of treatments with concern, manufacturers see a potential financial bonanza. Morgan Stanley analysts recently said "obesity is the new hypertension" and predicted industry revenue from U.S. obesity drug sales could rise from its current \$1.6 billion to \$31.5 billion by 2030.

It's easy to see how they could predict that startling number based simply on potential demand. In the U.S., 42% of adults are considered obese, up from 33% a decade earlier. Health problems sometimes linked to weight, such as diabetes and joint problems, are also on the rise.

Even losing 5% of [body weight](#) can provide health benefits, say experts. Some of the new drugs, which can help curb hunger, aid some patients in surpassing that marker.

Wegovy, which is a higher dose of the self-injectable diabetes drug Ozempic, helped patients lose an average of 15% of their body weight over 68 weeks during the clinical trial that led to its FDA approval last year. After stopping the drug, many patients followed in an extension of the trial gained back weight, which is not uncommon with almost any diet medication. Wegovy has spent much of the year in short supply due to manufacturing issues. It can cost around \$1,300 a month.

Another injectable drug, still in final clinical trials but fast-tracked for approval by the FDA, could spur even greater weight loss, in the 20% range, according to Eli Lilly, its manufacturer. Both drugs mimic a hormone called glucagon-like peptide 1, which can signal the brain in ways that make people feel fuller.

The average weight loss from both, however, puts the drugs within striking distance of results seen following surgical procedures, offering another option for patients and physicians.

But will the range of old and new prescription medical products—with even more in the development pipeline—be the answer to America's weight problem?

A big maybe, say experts. For one thing, the medications and devices don't work for everyone and vary in effectiveness.

Plenity is a prime example. With a price tag of \$98 a month, it's considered by the FDA to be a device and requires a prescription. During clinical trials, about 40% of people who tried it failed to lose weight. But among the other 60%, the average weight loss was 6.4% of body weight over 24 weeks when coupled with diet and exercise.

That average puts it in line with other, older, prescription weight loss medications, which often show a 5% to 10% weight loss when taken over a year.

While it is true that weight loss drugs—both old- and new-generation—don't work for everyone, there's enough variation among individuals that "even the older drugs work really well for some people," said Rind at ICER.

But it's too soon—especially for the newer drugs—to know how long the

results can last and what patients will weigh five or 10 years out, he said.

Still, advocates argue that insurers should cover treatments for weight issues as they cover those for cancer or chronic conditions like high blood pressure. Paying for such treatment could be good both for the patient and insurers' bottom lines, they argue. Over time, insurers may pay less for people who lose weight and then avoid other health complications, but such financial gains to the health system could take years or even decades to accrue.

Financial benefits for drugmakers are mixed so far. Novo Nordisk, the maker of Wegovy and Ozempic, saw obesity care sales grow 110% in the first half of the year, driven by Wegovy, but its stock price remained flat and even dipped in September. But Lilly, which won approval for a new diabetes drug, Mounjaro, that may soon also get the green light for weight loss, saw its September stock prices 34% higher than last September's.

Some employers and insurers who pay health care bills are also asking whether the drugs are priced fairly.

ICER recently took a look, comparing four weight loss medications. Two, Wegovy and Saxenda, are new-generation treatments, both made by Novo based on an existing injection diabetes drug. The other two—phentermine/topiramate, sold by Vivus as Qsymia, and bupropion/naltrexone, sold as Contrave by Currax Pharmaceuticals—are older therapies based on pill combinations.

Results were mixed, according to a report released in August, which will be finalized soon after public comments are evaluated and incorporated.

Wegovy showed [greater weight loss](#) compared with other treatments. But Qsymia also helped patients lose a substantial amount of weight, Rind

said. That older drug combination has a net cost, after manufacturer discounts, of about \$1,465 annually in the second year of use, compared with Wegovy, which had a net cost of \$13,618 in that second year, the report said. Many patients may be prescribed weight loss drugs for years.

With such numbers, Wegovy did not meet the group's cost-effectiveness threshold.

"It's a great drug, but it's about twice as expensive as it should be" when its health benefits are weighed against its cost and potential to drive up overall medical spending and health premiums, said Rind.

Don't expect costs to go down anytime soon, though, even as other new drugs are poised to hit the market.

Lilly, for instance, has yet to reveal what Mounjaro will cost if it clears clinical trials for use as a weight loss medication. But a hint comes from its \$974-a-month price as a diabetes treatment—an amount similar to that of rival diabetes [drug](#) Ozempic, Wegovy's precursor.

Novo charges more for Wegovy than Ozempic, although the weight loss version does include more of the active ingredient. It's possible Lilly will take a page out of that playbook and also charge more for its weight loss version of Mounjaro.

Dr. W. Timothy Garvey, a professor in the department of nutrition sciences at the University of Alabama-Birmingham, predicts insurance coverage will improve over time.

"It's undeniable now that you can achieve substantial [weight loss](#) if you stay on medications—and reduce the complications of obesity," Garvey said. "It will be hard for [health](#) insurers and payers to deny."

One thing the new focus on medication treatment may promote, most of the experts said, is to temper the bias and stigma that has long dogged patients who are overweight or have obesity.

"The group with the highest level of weight bias is physicians," said Dr. Fatima Stanford, an obesity medicine specialist and the equity director of the endocrine division at Massachusetts General Hospital. "Imagine how you feel if you have a physician who tells you your value is based on your [weight](#)."

Rind sees the new, more effective therapies as another way to help dispel the notion that patients "aren't trying hard enough."

"It's become more and more obvious over the years that obesity is a medical issue, not a lifestyle choice," Rind said. "We've been waiting for drugs like this for a very long time."

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Citation: New generation of weight loss medications offer promise—but at a price (2022, October 20) retrieved 20 January 2023 from <https://medicalxpress.com/news/2022-10-weight-loss-medications-promisebut-price.html>

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