

Report

Should Your Organization Invest in GLP-1s for Employee Weight Loss?

Everything employers need to know before adding GLP-1s to their benefits package



GLP-1 drugs have captured headlines and the interest of employers, promising significant weight loss and healthcare savings.

The allure is strong with 43% of employers planning to offer coverage this year, nearly double the current rate of this time last year.

But the decision to cover GLP-1s is not one to be made lightly. As the Chief Medical Officer of Personify Health, I understand the weight of this choice as it's one I've had to consider for our 3000+ global population. With [obesity rates in the U.S. at 42%](#), covering GLP-1s for those who qualify could add nearly \$7.5 million to our annual healthcare costs—and that still leaves hundreds of employees without access to any weight loss solution.

Given the enormity of what's at stake, I've spent the past year researching and engaging in conversations with healthcare stakeholders to thoroughly understand these drugs' benefits and risks.

In this article, I'll share the evidence-based insights I've discovered to help you make an informed decision about whether and how to incorporate GLP-1s into your employee benefits strategy.

But before we delve into the details of GLP-1s, it's essential to understand the broader issue at hand, the underlying problem that GLP-1s seek to address.

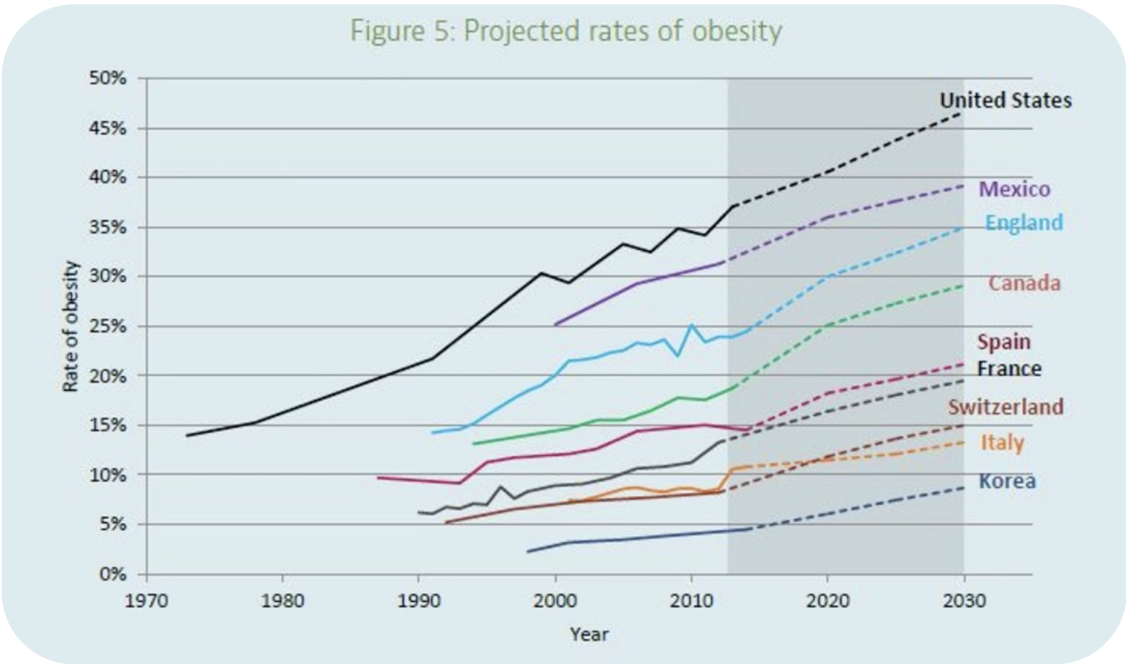
If you prefer to watch, you can check out the [presentation](#), [Maggie Scott](#), and [Dr. Chelauna Cosby](#) gave on this subject during Thrive Summit 2024.



Obesity: The silent driver behind the escalating healthcare costs

We all feel the pain of skyrocketing healthcare expenses—premiums, deductibles, and out-of-pocket costs—but what often goes unnoticed is one of the most silent but costly forces driving this crisis: obesity.

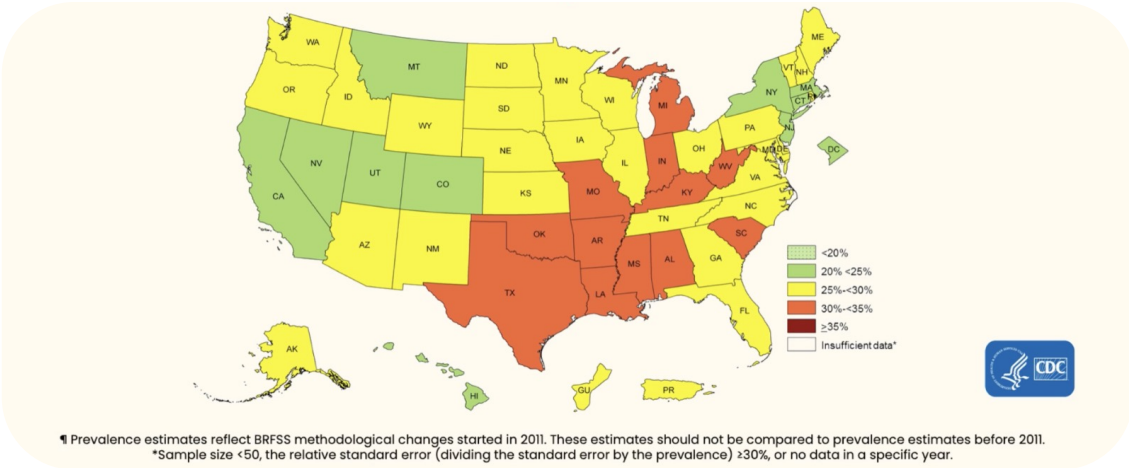
The escalating healthcare costs linked to obesity and its related chronic conditions are straining both organizations and the healthcare system as a whole. To truly grasp the gravity of the situation, let's explore how obesity fuels this growing financial burden. By 2030, the OECD projects that the obesity rate in the U.S. will surpass 45%.



To better illustrate the severity of the issue, take a look at the following charts. The first shows the prevalence of self-reported obesity among U.S. adults by state and territory in 2011. The second highlights the significant increase reported in 2021.



Prevalence of self-reported obesity among U.S. adults by state and terriotiry, BRFSS, 2011

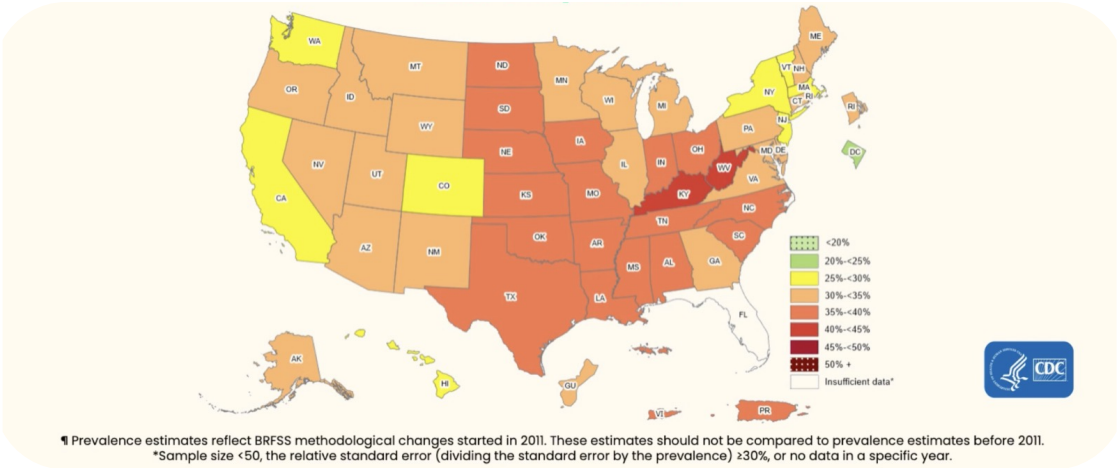


But obesity’s impact extends far beyond weight gain. It’s a door that leads to a wide range of chronic conditions, including type 2 diabetes, heart disease, cancer, and high blood pressure—each of which adds significant strain to the healthcare system.

Barbara Bowman, Ph.D., director of the CDC’s Division for Heart Disease and Stroke Prevention, notes that heart disease and stroke alone cost the U.S. healthcare system \$1 billion per day. She adds that these conditions account for the majority of the over \$320 billion in annual healthcare costs and lost productivity due to cardiovascular disease.

The financial toll of these chronic conditions is staggering, and it’s only getting worse.

Prevalence of self-reported obesity among U.S. adults by state and terriotiry, BRFSS, 2021



Delayed risk identification is pushing healthcare costs even higher. In 2023, 94% of healthcare leaders expected an increase in medical service usage due to delayed care, while 91% remain concerned about long-term mental health issues. And looking ahead, ACA premiums are projected to rise an average of 7% in 2025 across 324 insurers, further amplifying the financial burden.

So, where does the solution begin?

How do we stop the bleeding?

It first starts with screening and knowing your numbers. You can’t tackle

and prevent a problem you don't know exists. Identifying risks early is crucial to controlling costs and mitigating the long-term effects of obesity-related chronic diseases.

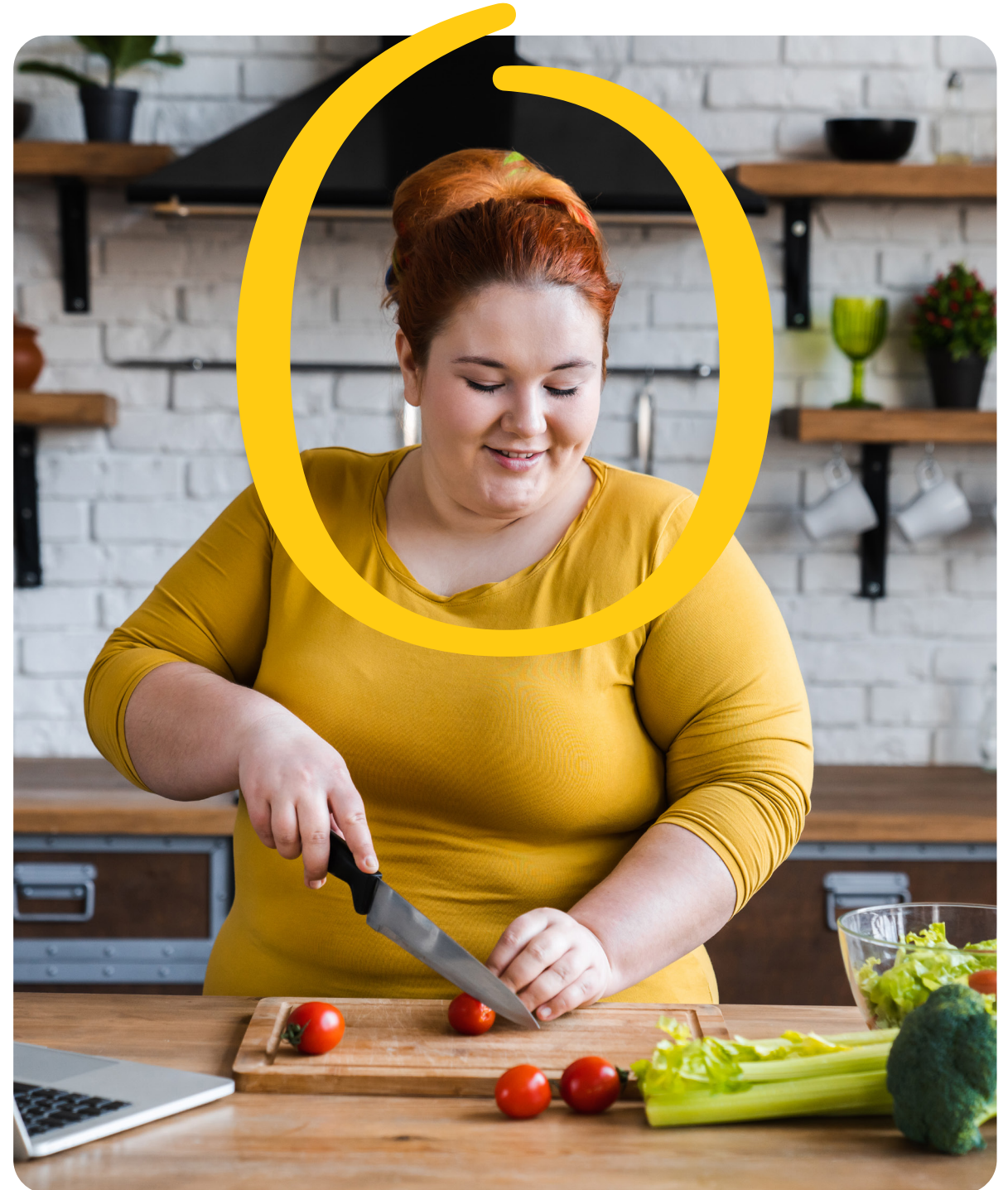
But early identification is just the beginning.

The real challenge lies in what comes next—how to translate this knowledge into an effective, sustainable strategy that addresses not just the symptoms but the root causes of obesity.

The path forward requires more than a quick fix.

Later in this article, we'll show you how to design a weight management program that drives lasting change.

Before we can get into the specifics of how to address obesity's impact on healthcare costs, let's talk about one of the most talked-about tools some employers are currently using to that end — GLP-1s.

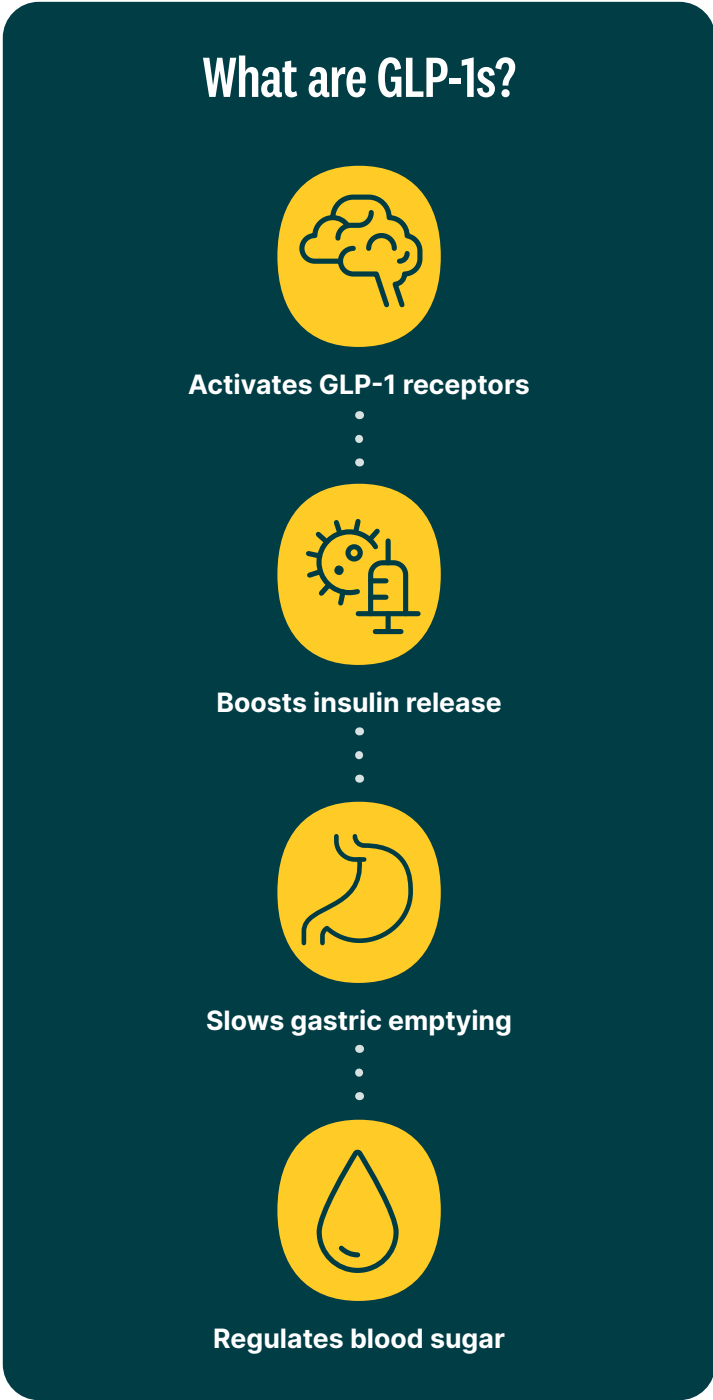


What are GLP-1s, and how do they work?

GLP-1s, originally inspired by a hormone found in the saliva of the Gila monster, have emerged as a treatment for both diabetes and obesity. They mimic the body's natural processes to regulate blood sugar, control appetite, and promote weight loss.

The History of GLP-1s

The story of GLP-1s begins with the discovery of a hormone in the saliva of the [Gila monster](#). This hormone, known as exendin-4, was found to mimic the effects of a naturally occurring human hormone called GLP-1 (glucagon-like peptide-1). GLP-1 plays a crucial role in glucose metabolism by stimulating the pancreas to secrete insulin, the hormone responsible for lowering blood sugar levels. The similarity between exendin-4 and GLP-1 led to the development of synthetic versions of this hormone, which are now used as GLP-1 agonists in diabetes treatment.



How GLP-1s influence weight loss

GLP-1 agonists (GLP-1s) are medications that stimulate the body's GLP-1 receptors, enhancing the effects of certain naturally occurring metabolic hormones that influence appetite.

This increase in GLP-1 receptor activity slows digestion and stomach emptying, thereby:

- Supressing appetite
- Lowering food intake
- Facilitating weight loss



How GLP-1s Work in the Body

GLP-1 agonists work by mimicking the action of the natural GLP-1 hormone in the body. When you consume food, GLP-1 is released from the intestines and performs several vital functions:

- **Stimulating Insulin Secretion:** GLP-1 triggers the pancreas to produce more insulin in response to rising blood sugar levels. This helps lower blood glucose, which is particularly beneficial for individuals with type 2 diabetes.
- **Slowing Gastric Emptying:** One of the critical roles of GLP-1 is to slow down the rate at which the stomach empties its contents into the small intestine. This slower digestion process helps reduce post-meal blood sugar spikes and contributes to a prolonged feeling of fullness, aiding in weight loss.
- **Reducing Appetite:** GLP-1 also acts on the brain to suppress appetite. Enhancing the feeling of satiety reduces the overall food intake, which is one of the reasons why GLP-1 agonists are being explored and used for weight management in addition to diabetes treatment.



Why are GLP-1s so hot?

In recent years, GLP-1 agonists, a class of medications initially developed to manage Type 2 diabetes, have seen a dramatic rise in popularity. This surge in demand is so significant that there's a shortage of these medications, which is expected to last through 2024. Several factors, including their effectiveness in weight loss and high-profile endorsements, have increased the demand.

Widespread Use Among Americans

Estimates suggest that 1 in 8 Americans have used GLP-1 agonists, reflecting their growing acceptance and utilization beyond just diabetes management. The significant weight loss results these drugs can achieve largely drive this widespread use.

Clinical Weight Loss Findings

Studies have found that GLP-1 agonists can lead to weight loss of around 10.5 to 15.8 pounds (4.8 to 7.2 kg) on average when using drugs like liraglutide.

This effectiveness has made GLP-1 agonists an attractive option for those looking to manage obesity.

Speed of Effectiveness

One of the most appealing aspects of GLP-1 agonists is their rapid effectiveness.

Patients often see quick improvements in blood glucose levels and weight, making these drugs a compelling option for those seeking immediate results.

The Role of Celebrity Endorsements

Endorsements from celebrities and public figures have also bolstered the popularity of GLP-1 agonists. High-profile individuals like Elon Musk and various reality TV stars have publicly discussed their use of GLP-1 drugs for weight loss.

These endorsements have further propelled these medications into the mainstream, from characters on shows like Vanderpump Rules bringing more attention to the drug to the birth of "GLP-1 Influencers" on TikTok, documenting their weight loss journeys with these medications and attracting significant followings.

Beyond Weight Loss: Potential for Treating Various Diseases

While GLP-1 agonists are well-known for their role in diabetes management and weight loss, researchers are exploring their potential in treating other conditions.

There is ongoing investigation into their use for managing dementia and other neurological conditions, highlighting the versatility and potential of these drugs.

While the rapid rise in popularity of GLP-1 medications is understandable, given their effectiveness in weight loss, it's essential to take a closer look at the other side of the equation. Despite their initial appeal, these medications come with significant drawbacks and limitations that cannot be ignored.

Let's explore the challenges and concerns associated with GLP-1s that employers should consider before relying on them as a complete solution for weight management.



The problem with GLP-1s

While GLP-1 medications have shown promise in catalyzing weight loss, they are not without significant challenges and concerns.

Despite their popularity, these drugs come with high costs and potential risks, such as rebound weight gain once treatment stops.

However, the most pressing issue for employers considering these medications as a weight loss solution for their employees is that GLP-1s do not address the underlying behavioral and mental health factors that contribute to obesity in the first place.

High Costs and Limited Coverage

GLP-1s are expensive. For example, Wegovy can cost around \$16,000 per year per person. To make matters worse, Medicare and most insurers don't cover these medications, adding to patients' financial burden. In addition, only about 40% of adults qualify for them. This limitation leaves many without access to these treatments, raising questions about how those who don't qualify can achieve sustainable weight management.

Side Effects and Safety Concerns

An incredible number of side effects accompany GLP-1 medications. Despite their effectiveness, they are not a magic formula. Users must consider complex factors like dosages and the potential for serious side effects. There's also limited research on the long-term effects of using these drugs solely for weight loss.

Potential Ozempic side effects

- Diarrhea
- Nausea
- Constipation
- Elevated serum lipase
- Elevated serum amylase
- Vomiting
- Acute abdominal pain
- Fatigue
- Biliary calculus
- Acute pancreatitis
- Acute renal failure
- Dysgeusia
- Gastritis
- Anaphylaxis
- Angioedema
- Cholecystitis
- Urticaria
- Skin rash
- Gastroesophageal reflux disease
- Flatulence
- Eructation
- Tachycardia
- Hypoglycemic disorder
- Injection site sequelae
- Dizziness

Prescribing Practices and Overuse

The growing excitement around GLP-1s, fueled by celebrity endorsements and social media, has led to a surge in off-label use of these medications. Dr. Chun-Su Yuan from the University of Chicago cautions that this intense embracing of GLP-1s, particularly for weight reduction, could lead to overuse—a serious concern and reason for high alarm for both patients and healthcare providers.

Another reason this trend is troubling is that individuals without proper specialized training are increasingly prescribing these drugs, raising the risk of misuse and potential harm.

Even when GLP-1s are prescribed correctly, complex factors must be considered, including the nuances between different drugs within this class. Therefore, while GLP-1s may offer certain benefits, their use must be cautiously approached, as these medications are not a one-size-fits-all solution. Sustainable weight management ultimately requires a comprehensive approach that goes beyond medication alone.

GLP-1s don't address the core issues of obesity

While GLP-1 medications have gained popularity for their effectiveness in promoting weight loss, they ultimately do not address the underlying causes of obesity—particularly the behavioral and mental health challenges that often contribute to the condition.

Obesity is a multifaceted issue, deeply intertwined with an individual's habits, emotional well-being, and lifestyle choices. Relying solely on medication like GLP-1s may lead to short-term success, but without addressing these core issues, sustainable weight management remains elusive.

Behavioral factors such as poor diet, lack of physical activity, and unhealthy eating patterns are significant contributors to obesity. Additionally, mental health issues like stress, depression, and anxiety can trigger emotional eating and other behaviors that exacerbate weight gain. These aspects are crucial to consider when approaching obesity treatment, as they require long-term lifestyle changes and psychological support rather than just pharmacological intervention.

GLP-1s may help to manage weight temporarily, but they do not inherently alter the behaviors or mental health conditions that often lead to obesity.



Should I cover GLP-1s for my employees who want to lose weight?

As we've just discussed, weight management is highly personal and complex.

Today, the focus is on GLP-1s, but let's be clear—no single medication available now or in the future, and no trendy diet from the past, can single-handedly solve the challenge of weight loss. Expecting a pill to address the intricate web of factors contributing to obesity is like trying to fix a leaky roof with a single shingle—it might help temporarily, but it won't keep the rain out for long.

That is why, at Personify Health, we firmly believe that GLP-1s should be viewed as nothing more than a jump-start on the journey to weight loss. For all the reasons we've previously discussed, considering them a standalone, long-term solution would be a costly mistake.

There are countless challenges that GLP-1s simply can't address. Have you considered your employees who don't qualify for GLP-1s? What options do they have? How will they achieve the weight loss they desire just as much as those who do qualify?

And for those who qualify, have you considered how they'll be supported in the long run? Weight loss is not just about shedding pounds—it's about maintaining that loss and addressing the underlying causes that led to obesity in the first place.

And what about the cost? Healthcare expenses are already getting out of control. Have you thought about what adding this drug to your budget would mean?



The Tale of Two Employers: A GLP-1 Cost Comparison

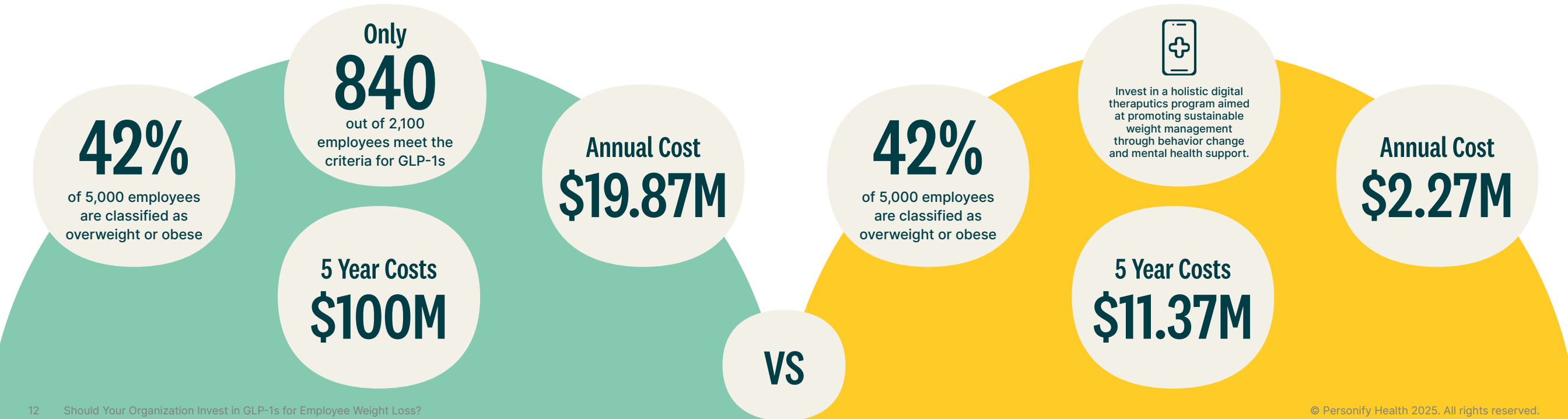
Let’s consider the experiences of two hypothetical companies—Employer A and Employer B—each grappling with the decision of whether to cover GLP-1 medications for their employees.

Employer A, eager to provide the latest weight-loss solutions, decides to offer GLP-1 medications to all eligible employees. With 42% of their 5,000 employees classified as overweight or obese, this means that 2,100 employees could potentially benefit from the medication. However, not everyone qualifies. Because only 40% of the overweight and obese employees meet the criteria for GLP-1s, the pool of eligible employees drops to 840.

The annual cost? A staggering **\$19.87 million**. Over five years, this investment balloons to nearly **\$100 million**—a figure that would give any CFO pause.

Employer B, on the other hand, takes a different approach. Instead of focusing on medication alone, they invest in a holistic Digital Therapeutics Program aimed at promoting sustainable weight management through behavior change and mental health support. This program is available to all 2,100 overweight or obese employees, costing the company **\$2.27 million** annually. Over five years, their total investment amounts to just **\$11.37 million**.

The difference between these two approaches is striking. Employer B saves approximately \$17.6 million annually compared to Employer A, and over five years, the savings grow to a substantial \$88 million.



How to design a holistic and sustainable weight management plan for your employees in 5 steps

While GLP-1 medications may temporarily boost the battle against obesity, they are not a silver bullet. As we've seen, relying solely on these medications not only comes with significant financial costs but also fails to address the deeper, more complex factors that contribute to obesity.

To truly support your employees in achieving sustainable weight loss and reducing chronic conditions, it's essential to adopt a more comprehensive approach that goes beyond medication to focus on long-term behavior change and mental health support.

By shifting from a narrow focus on “quick fixes” to a broader strategy that empowers your employees to tackle the root causes of obesity, you can create a more effective and cost-efficient weight management program.

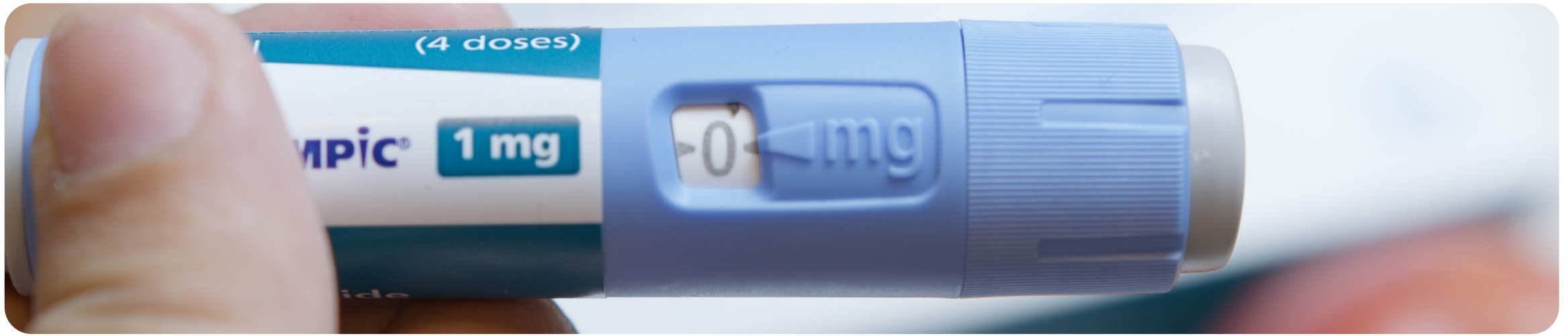
Here are five steps you can start implementing today to design a holistic and sustainable weight management plan for your organization:

01 Acknowledge that medication alone is not enough

Obesity is expensive. Considering the interconnectivity between obesity, mental health, and various health conditions, organizations must address long-term commitments to their population. Formulate a comprehensive policy that aligns with long-term commitments and provides digital and expert resources to help people build healthy habits supporting sustainable, whole-person health outcomes, like what can be found in a comprehensive [digital therapeutics program](#).

02 Consider prior authorization or utilization review to help manage costs

A prior authorization process ensures that GLP-1 medications are used correctly and only when medically necessary. It also helps ensure that the medication is appropriate for treatment and is the most cost-effective option.



03 Look beyond medication eligibility

Consider requiring employees to participate in an organization-sponsored weight management program for 12 months. This will ensure that the individual is committed to change and establish a foundation for lifelong healthy habits that prevent long-term medication dependencies.

04 Provide alternatives

For those with a BMI of 25 to <30, provide access to an intensive, prescription-free weight management program delivered in phases to promote self-efficacy, backed with one-on-one expert coaching, aka a Digital Therapeutics program

05 Embrace virtual care as part of your health plan benefits

Integrating virtual advanced primary care in your health benefits plan can effectively address obesity-related health conditions as the primary care system struggles. This model allows for a more cohesive healthcare approach.

The road to lasting weight loss is paved with patience, support, and strategy. Skip the shortcuts. Craft a holistic plan and watch your employees blossom into the healthy, vibrant humans they were meant to be.

Simplifying the Path to Sustainable Weight Management

The path to sustainable weight management is challenging but doesn't have to be overwhelming. The right program and the right partner can help simplify the journey, making it easier to navigate the complexities of healthcare, behavior change, and mental health support.

At Personify Health, we believe in removing the unnecessary steps and obstacles that often stand between your employees and better health. Our [Digital Therapeutics Program](#) is designed to make managing weight simpler and more effective, providing your employees with the support they need to tackle the core issues of obesity.

If you're ready to simplify the journey for your employees, we invite you to learn more about how our [Digital Therapeutics Program](#) can transform your organization's approach to weight management.

For more insights on designing a holistic weight management program for your employees, check out our comprehensive [GLP-1 toolkit](#).

And for a deeper dive into how we're supporting employers with best practices for GLP-1 usage and expanding our Transform Weight Management Program, don't miss our latest press release [here](#).

Finally, if you have specific questions about GLP-1s and weight loss for your population and want to engage directly with weight management experts, we invite you to our very first LinkedIn Live event. We'll discuss the latest trends and strategies for supporting employees with holistic weight loss.

About the author

Dr. Jeff is passionate about finding ways to combine technology and human expertise to support people going through difficult and highly personal health journeys. This commitment is fueled by his personal experiences and frustrations with the healthcare system, which drove him to innovate and bring change to the industry.

He currently serves as Personify Health's chief medical officer.

At Personify Health, he focuses on ensuring alignment with member and market needs, enhancing the company's behavior science approach, and exploring additional ways our unique capabilities can further simplify and support the member journey.

He is also an entrepreneur with more than 20 years of experience building solutions that deliver personalized support for individuals experiencing complex care journeys.

We can do all of that, and more.

Personify Health is a leading healthcare engagement organization that empowers healthier lives, inside out. Through personalized, connected, and powerfully simple solutions, we help health plans empower and engage their members. Motivating them to get and stay healthy.

We help health plans reach every kind of member—from the engaged to the hard-to-reach—with data, multi-channel communications, and smart campaigns that drive healthy actions and increase compliance. Good for member outcomes. Good for quality ratings. And good for your health plan.

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