



The Rising Cost and Use of GLP-1 Weight Loss Medications

The weight loss medication industry has rapidly grown, largely due to direct-to-consumer advertising and an increasing demand for effective solutions. One of the most discussed classes of drugs in this category is GLP-1 receptor agonists, particularly Semaglutide, which is marketed under brand names such as Ozempic, Wegovy, and Rybelsus. Originally developed for managing diabetes, these medications have gained popularity for their weight loss benefits. However, their high costs and long-term implications raise important questions about their role in healthcare and insurance coverage.

The Science Behind Semaglutide

Semaglutide functions by activating GLP-1 receptors which slows down gastric emptying and reduces appetite. This combination ultimately leads to lower calorie intake and weight loss. While Wegovy is the only Semaglutide product specifically approved by the FDA for weight loss (Novo), its counterparts, Ozempic and Rybelsus, are only approved for managing diabetes (FDA U.S. Food & Drug Administration, n.d.). Despite this limitation, there is significant consumer demand for these drugs beyond their approved uses.

Advertising and Consumer Perception

The extensive advertising of these medications has led to increased patient requests, sometimes for uses that are not approved. "Many people don't realize that Ozempic and Wegovy are actually the same drug," says Alexis Day, PharmD, PhC, Assistant Vice President of Pharmacy Services at TRISTAR Managed Care. "Wegovy was simply rebranded for weight loss after its effects were observed in Ozempic users." Many consumers may not understand that the same active ingredient is marketed under different names, with some versions priced significantly higher. This raises concerns about whether marketing strategies are influencing prescribing practices more than clinical necessity.

Costs That Raise Eyebrows

One of the most striking aspects of medications based on Semaglutide is their cost. A year of treatment with Wegovy costs approximately \$32,000 in the first year, followed by around \$28,000 each subsequent year. Ozempic, which is used for diabetes, costs roughly \$15,000 to \$16,000 per year, while Rybelsus, the oral version, also exceeds \$14,000 annually (Medi-Span Price Rx, n.d.).

"The cost difference is notable given that they are the same drug," Day points out. This pricing discrepancy between these versions, despite their similarities, highlights the financial complexities associated with weight loss treatments.

The Impact on Healthcare and Insurance

Employers and insurance providers are grappling with the growing demand for these medications. Data from commercial health insurance (not workers' compensation) includes that in 2024, about 34% of employers provided coverage for GLP-1 drugs for both diabetes and weight loss, up from 26% in 2023 (Employers Covering GLP-q Drugs in Health Plans Could Nearly Double in 2024, 2023). However, most of these employers implemented strict utilization management protocols, such as prior authorization and BMI requirements, to ensure appropriate use.

Data on GLP-1 drug coverage is limited in the workers' compensation space. While not typically covered for general weight loss, some argue that short-term use in specific cases—such as preparing a patient for surgery—might be justified. "A case-by-case approach for workers' compensation coverage may be warranted as evidence-based criteria for their use must be met," says Day. At TRISTAR, our in-house team of pharmacists is a company resource that helps determine the appropriateness of these medications.

Side Effects and Long-Term Considerations

Like any medication, Semaglutide can have potential side effects. Common side effects include low blood sugar, nausea, diarrhea, and headaches. More serious risks may involve an increased heart rate, pancreatitis, and the possibility of thyroid tumors (Micro).

One of the most talked-about effects is known as "Ozempic Face," (Donnelly, 2024) which occurs when rapid weight loss leads to a loss of facial volume and sagging skin. According to experts, "Because the weight loss happens so quickly, the skin doesn't always have time to adjust." Additionally, studies show that stopping these medications often results in weight regain, raising concerns about their long-term necessity and sustainability.

A Closer Look at Weight Loss Data

Clinical trials have shown promising but varied weight loss outcomes. In a two-year study, Wegovy users lost an average of 35 pounds, compared to 6 pounds in the placebo group (Managing Weight With Wegovy, n.d.). Ozempic users with type 2 diabetes saw more modest reductions, with losses ranging from 8 to 14 pounds over two years (Ozempic, n.d.). Rybelsus, in a six-month study, resulted in a weight loss of 5 to 8 pounds (Rybelsus results, n.d.). While these numbers show effectiveness, they also suggest that expectations should be managed, especially given the significant financial investment.

The Future of GLP-1 Medications

As demand for GLP-1 receptor agonists continues to grow, questions remain about their role in healthcare. The high costs, long-term dependency, and insurance complexities make these drugs a hot topic in both the medical and financial sectors. Whether they will become a sustainable solution or a short-lived trend remains to be seen. Still, for now, they continue to capture the attention of patients, providers, and insurers alike.

About Alexis Day

Alexis Day has a Doctor of Pharmacy (PharmD) degree with over 15 years of experience as a clinical pharmacist. Dr. Day joined the TRISTAR family in 2020. Dr. Day holds the position of Assistant Vice President of Pharmacy Services and leads the TRISTAR Pharmacy Management Team as well as the Pharmacy Benefit Manager (PBM) program. Additionally, she is a licensed Pharmacist Clinician (PhC). She has been in the healthcare industry since 2009.

To learn more about this topic and how TRISTAR can support your claims management needs, contact us at TRISTARmarketing@tristargroup.net. Our experts are ready to provide insights and solutions tailored to your organization.

Work Cited

(n.d.). Retrieved from <https://www.micromedexsolutions.com/home/dispatch>

(n.d.). Retrieved from <https://www.novo-pi.com/wegovy.pdf>

(n.d.). Retrieved from FDA U.S. Food & Drug Administration:
https://www.accessdata.fda.gov/drugsatfda_docs/label/2019/213051s000lbl.pdf

Donnelly, B. (2024, November 26). *Ozempic face: The cosmetic concerns of rapid weight loss*. Retrieved from Northwell Health: <https://www.northwell.edu/news/insights/ozempic-face>

Employers Covering GLP-q Drugs in Health Plans Could Nearly Double in 2024. (2023, October 18). Retrieved from SHRM: <https://www.shrm.org/topics-tools/news/benefits-compensation/employers-covering-glp1-drugs-could-nearly-double-in-2024-accolade-weight-loss-ozempic-wegovy>

Managing Weight With Wegovy. (n.d.). Retrieved from Wegovy: <https://www.wegovy.com/about-wegovy/managing-weight-with-wegovy.html#calculate>

Medi-Span Price Rx. (n.d.). Retrieved from <https://pricerx.medispan.com/Refresh/Search.aspx>

Ozempic. (n.d.). Retrieved from <https://www.ozempic.com/>

Rybelsus results. (n.d.). Retrieved from Rybelsus: <https://www.rybelsus.com/why-rybelsus/rybelsus-results.html#ABC>