

Methodology for State Medicaid Obesity Treatment Coverage 2024

This study is a review of how states' policies cover the treatment of obesity in Medicaid programs. The data and analysis provide insight into the categories of obesity treatments offered and the level of coverage by state Medicaid programs.

The review of Medicaid coverage included the elements of comprehensive obesity care: nutrition counseling, intensive behavioral therapy, obesity medications, and metabolic and bariatric surgery. The top Managed Care Organization (MCO) and Fee for Service (FFS) plans for each state's Medicaid program were reviewed for this study. The analysis is a combination of both MCO and FFS for each state.

Source Data

We contracted with [LEVERAGE](#), a solutions and consulting firm, to extract the state Medicaid coverage data for plan year 2023. LEVERAGE provided the data and information for each state's Medicaid program from their proprietary resource – AXIACI – which focuses on structural and organizational characteristics of programs and plan coverage details.

LEVERAGE extracted the data using the AXIACI platform, which includes source library, market segmentation, existing entity attributes and state and carrier profiles.

- States were segmented based on existing AXIACI attributes describing their statutory and organizational structure such as whether they had a managed care program, whether they carved pharmacy benefits out of managed care contracts and whether they employed uniform drug lists and uniform coverage criteria.
- For each state, the appropriate source materials and documents necessary to determine coverage and coverage criteria were identified. Examples included statutes, regulations, MCO and pharmacy benefit manager (PBM) contracts.
- At the MCO and FFS levels, the materials used to determine coverage included provider manuals, medical and pharmaceutical coverage criteria policies, fee schedules, preferred drug lists, web-site information and other available materials.

For this dataset, LEVERAGE developed and tested standardized attributes and values that affect patient access and coverage for the identified obesity treatments such as:

- Overall state Medicaid coverage decisions on specified obesity treatments,
- Boundaries to coverage not related to medical necessity –i.e., lifetime limits on bariatric and metabolic surgeries, prior weight loss efforts, specification of provider types, site of care requirements; and
- Medical Necessity Criteria – i.e., BMI levels, specified co-morbid conditions, and definition of surgical complications.

Study Methodology

The extracted data were explored to determine the level of coverage provided for each treatment category. The detail provided by LEVERAGE allowed us to categorize the data based on whether a benefit was covered or not covered, covered with limitations, and/or covered with restrictions. Only coverage of adults was considered in this study.

For purposes of this study, limitations and restrictions describe the barriers to access covered treatments. We defined a limitation to treatment as a criterion that must be met at the patient level, usually a clinical parameter or provider decision to access a treatment. A restriction was defined as an administrative barrier that does not follow evidence-based care and further blocks access to treatments.

We developed a novel scoring approach to analyze the level of obesity treatment coverage. Each obesity treatment category was assigned a value according to the level of coverage provided. Each state was then assigned a final value based on the categories assessed and the total score. The final values reflect whether overall obesity treatment in the state was covered, covered with limitations, covered with restrictions, or not covered.

Below are each of the coverage categories with an explanation of the values used for scoring.

Coverage Categories

Nutrition Counseling (total value= 2)

Nutrition counseling (NC) was given a total value of “2”.

Few states were explicit about NC for obesity treatment unless it was tied to metabolic and bariatric surgery requirements. Fee schedules were used to interpret coverage where necessary.

- “Covered” – Nutrition counseling is covered (value = 2)
- “Not Covered” – Nutrition counseling is "non-scheduled" or no obesity-specific codes or general codes that could be used to bill for obesity services were indicated as covered on the fee schedule, or nutrition counseling covers only non-adults (value = 0)

Intensive Behavioral Therapy (total value= 2)

Intensive behavioral therapy (IBT) for treatment of obesity was given a total value of “2”.

Few states were explicit about this coverage; therefore, fee schedules were used to interpret coverage where necessary. States will often cover IBT but not always cover it explicitly for obesity treatment.

“Covered” – IBT is covered and the data include codes for IBT allowed for obesity treatment (value= 2)

- “Covered with restrictions” – IBT is covered by Medicaid, but there are no obesity codes mentioned (value= 1)
- “Not covered” – IBT is not covered (value= 0)

Obesity Medications (total value = 4)

Medications that are covered for the specific purpose of treating obesity (not to treat Type 2 diabetes with obesity as a secondary condition) were given a total value of “4”.

The medications covered for obesity were reviewed from the state Fee for Service and the top Managed Care Organization Prescription Drug List. The obesity medications (OM) considered were the new generation medications, including Saxenda and Wegovy, and the older generation medications, including Contrave, Qysmia, Phentermine, Benzphetamine, Diethylpropion, and Phendimetrazine. Xenical, Orlistat and Alli are older generation medications that are now available over the counter. At the time of this study, Zepbound was not yet on the market for the treatment of obesity.

- “Covered” – The state will cover medication for the specific purpose of treating obesity (not to treat Type 2 diabetes with obesity as a secondary condition). There are no limitations or restrictions to coverage, and the state offers at least one drug from both the new generation (Saxenda and Wegovy) and older generation (Contrave, Qysmia, Phentermine, etc.) medication categories (value = 4)
- “Covers limited medications” – The state only covers medications, without limitations or restrictions, from either the new generation (Saxenda/Wegovy) or the older generation of drugs (Contrave/Qysmia/Phentermine, etc.) categories (value = 3)
- “Covered with limitations” - if all OMs are covered but there are limitations to coverage (value= 3)
The limitations¹ for OM coverage include:
 - “BMI”
 - “Age”
 - “Co-morbidity regardless of BMI”
 - “Medical necessity conditions”
 - “Designated program”
- “Covered with restrictions” - if all OMs are covered but there are restrictions to coverage (value= 2)
The restrictions for OM coverage include:
 - “Third party entity for evaluations”
 - “Proof of failed attempts”
 - “Time”
 - “Renewal”
 - “Renewal Weight Loss”
- “Covered with limitations and restrictions” – if all OMs are covered but there are both limitations AND restrictions to coverage (value = 1)
- “Not covered – covers only medications that can be bought over the counter” – only medications that are available to purchase over the counter, such as Orlistat/Xenical/Alli, are covered (value = 1)
- “Not covered” – no medications are covered for the specific purpose of treating obesity (value = 0)

¹ For further details on the definitions of the limitations and restrictions visit:
<https://stop.publichealth.gwu.edu/coverage/limitations-restrictions-2024.pdf>

Metabolic Bariatric Surgery (total value = 4)

Coverage of metabolic and bariatric surgery (MBS) was given a total value of “4”.

- “Covered” – MBS is covered, and if a BMI value for coverage is available, it follows the American Society for Metabolic and Bariatric Surgery guidelines. These guidelines specify that metabolic and bariatric surgery should be covered for a person with a BMI of ≥ 35 or a BMI > 30 with at least one comorbidity (value = 4)
- “Covered with limitations” – MBS is covered, but there are limitations to the coverage - (value =3)
The limitations for MBS coverage are:
 - “Age”
 - “BMI”
 - “Comorbidity regardless of BMI”
 - “Qualifying comorbidities”
 - “Center of Excellence requirement”
 - “Provider restriction”
- “Covered with restrictions” – MBS is covered, but there are restrictions to obtaining coverage (value= 2)
The restrictions for MBS are:
 - “Documentation of weight loss attempt”
 - “Number of weight loss attempts”
 - “Obesity minimum duration”
 - “Length of weight loss attempt”
 - “Recency of weight loss attempt”
 - “Weight loss program required”
 - “Limitations on revisions and corrections”
 - “Revisions/corrections post-op non-compliance”
 - “Revisions/corrections inadequate weight loss”
 - “History of substance use disorder”
 - “Mental health evaluation”
- “Covered with both limitations and restrictions” (value = 1)
- “Not-covered” – metabolic and bariatric surgery is not covered (value = 0)

Final Scores

The scores for each state were totaled based on the values they received from the above categories.

Each state was assigned a final value. The final values reflect whether overall obesity treatment in the state was covered, covered with limitations, covered with restrictions, or not covered. The total possible value was “12”.

Covered = States that scored a total value of “10-12”

Limited Coverage = States that scored a total value of “7-9”

Restricted Coverage = States that scored a total value of “4-6”

Not Covered = States that scored a total of “0-3”